CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

AS AT AND FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017

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

(expressed in thousands of Canadian dollars)

	Note	As at September 30, 2017	As at December 31, 2016
ASSETS			
Cash		$ 95,215	$ 75,615
Accounts receivable	4	74,544	36,356
Client accounts receivable	6	26,014	22,185
Brokerage securities owned	8	11,700	13,278
Income taxes receivable		909	2,263
Investments	9	363,759	433,574
Equity accounted investments	10	163,289	151,183
Real estate joint venture investments	11	5,420	4,653
Real estate assets	12	5,897	5,593
Resource assets	4, 13	245,564	365,637
Livestock	14	48,541	43,301
Capital and other assets	4, 15	168,004	181,133
Goodwill	16	-	23,638
Deferred income tax assets	27	15,244	43,005
TOTAL ASSETS		**$ 1,224,100**	**$ 1,401,414**
LIABILITIES			
Accounts payable and accrued liabilities		$ 68,030	$ 94,729
Client deposits and related liabilities	17	25,073	43,696
Brokerage securities sold short	8	-	1
Corporate debt	18	149,321	200,993
Derivative financial liabilities	7	203	2,275
Decommissioning liabilities	4, 19	53,031	58,431
Preference Shares, series 5	20	88,306	87,436
		383,964	487,561
SHAREHOLDERS' EQUITY			
Share capital			
Common shares	21	282,684	282,234
Preference Shares, series 2	20	84,053	84,053
Preference Shares, series 3	20	43,015	43,015
Contributed surplus		13,226	12,289
Warrants	21	1,516	1,516
Reserves for changes in equity of subsidiaries		(56,324)	(59,086)
Retained earnings		444,856	434,751
Accumulated other comprehensive income	4, 21	1,949	65,651
		814,975	864,423
NON-CONTROLLING INTEREST	22	25,161	49,430
		840,136	913,853
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 1,224,100**	**$ 1,401,414**

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

Commitments, contingencies and off-balance sheet arrangements (note 32)

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

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

		For the three months ended		For the nine months ended	
	Note	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
REVENUES	23	$ 79,903	$ 63,824	$ 227,882	$ 191,444
OTHER ITEMS IN NET EARNINGS (LOSS)					
Cost of sales	24	(65,250)	(50,978)	(182,396)	(150,724)
Depreciation and depletion	13, 15, 16	(48,074)	(5,027)	(59,322)	(44,191)
General and administrative expenses	26	(24,341)	(29,018)	(64,592)	(108,418)
Net gain from investments	9	15,386	7,948	48,020	111,276
Share of earnings (loss) from equity accounted investments	10, 11	6,545	(3,640)	5,797	(2,511)
Fair value changes in livestock	14	18	(1,216)	8,381	(950)
Gain (loss) on derivative financial instruments	7	93	269	1,233	(605)
Interest expense	18, 19, 20	(4,894)	(4,158)	(15,497)	(13,803)
Foreign exchange gain (loss)	4	63,407	490	62,545	(4,965)
NET EARNINGS (LOSS) BEFORE INCOME TAXES		22,793	(21,506)	32,051	(23,447)
Income tax (expense) recovery	27	(21,535)	1,211	(29,134)	(10,745)
NET EARNINGS (LOSS) FOR THE PERIOD		**$ 1,258**	**$ (20,295)**	**$ 2,917**	**$ (34,192)**
NET EARNINGS (LOSS) ATTRIBUTABLE TO:					
Owners of the parent		$ 11,438	$ (16,430)	$ 15,298	$ (35,160)
Non-controlling interest		(10,180)	(3,865)	(12,381)	968
		$ 1,258	**$ (20,295)**	**$ 2,917**	**$ (34,192)**
NET EARNINGS (LOSS) PER SHARE	28				
Basic		$ 0.16	$ (0.31)	$ 0.17	$ (0.69)
Diluted		$ 0.15	$ (0.31)	$ 0.16	$ (0.69)

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

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

(expressed in thousands of Canadian dollars)

		For the three months ended		For the nine months ended	
	Note	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
NET EARNINGS (LOSS) FOR THE PERIOD		$ 1,258	$ (20,295)	$ 2,917	$ (34,192)
Other comprehensive (loss) income:					
Items that may be reclassified to net earnings (loss)					
Unrealized (loss) gain from foreign currency translation		(8,338)	4,021	(16,652)	(12,602)
Share of other comprehensive income (loss) from equity accounted investments,		(1,695)	1,607	5,891	(4,796)
net of associated taxes		449	(425)	(1,561)	1,271
Transfer of realized foreign currency translation gain					
to net earnings (loss)	4	(64,436)	-	(64,436)	(307)
Total other comprehensive (loss) income for the period		(74,020)	5,203	(76,758)	(16,434)
COMPREHENSIVE LOSS FOR THE PERIOD		**$ (72,762)**	**$ (15,092)**	**$ (73,841)**	**$ (50,626)**
COMPREHENSIVE LOSS ATTRIBUTABLE TO:					
Owners of the parent		$ (50,702)	$ (13,726)	$ (48,404)	$ (45,151)
Non-controlling interest		(22,060)	(1,366)	(25,437)	(5,475)
		$ (72,762)	**$ (15,092)**	**$ (73,841)**	**$ (50,626)**

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

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

(expressed in thousands of Canadian dollars)

			Attributable to Owners of the Parent									
	Note	Number of Common Shares	Common Shares	Preference Shares, Series 2	Preference Shares, Series 3	Contributed Surplus	Warrants	Reserves for changes in equity of subsidiaries	Retained Earnings	Accumulated Other Comprehensive Income	Non-controlling Interest	Total
Balance, December 31, 2015		58,645,033	$ 281,629	$ 84,053	$ 43,015	$ 10,945	$ -	$ 9,512	$ 583,784	$ 42,095	$ 26,114	$ 1,081,147
For the nine months ended September 30, 2016												
Net loss		-	-	-	-	-	-	-	(35,160)	-	968	(34,192)
Other comprehensive loss		-	-	-	-	-	-	-	-	(9,991)	(6,443)	(16,434)
Dividends on Preference Shares, series 2		-	-	-	-	-	-	-	(3,711)	-	-	(3,711)
Dividends on Preference Shares, series 3		-	-	-	-	-	-	-	(1,488)	-	-	(1,488)
Issuance of warrants		-	-	-	-	-	1,516	-	-	-	-	1,516
Exercise of warrants		250	2	-	-	-	-	-	-	-	-	2
Stock based compensation	21, 25	5,274	68	-	-	1,614	-	-	-	-	-	1,682
Changes of ownership interest in subsidiaries	5	-	-	-	-	-	-	(68,445)	-	41,908	28,847	2,310
Balance, September 30, 2016		58,650,557	281,699	84,053	43,015	12,559	1,516	(58,933)	543,425	74,012	49,486	1,030,832
From October 1, 2016 to December 31, 2016												
Net loss		-	-	-	-	-	-	-	(106,937)	-	(4,622)	(111,559)
Other comprehensive loss		-	-	-	-	-	-	-	-	(7,915)	610	(7,305)
Dividends on Preference Shares, series 2		-	-	-	-	-	-	-	(1,237)	-	-	(1,237)
Dividends on Preference Shares, series 3		-	-	-	-	-	-	-	(500)	-	-	(500)
Stock based compensation		85,925	535	-	-	(270)	-	-	-	-	-	265
Changes of ownership interest in subsidiaries		-	-	-	-	-	-	(153)	-	(446)	3,956	3,357
Balance, December 31, 2016		58,736,482	282,234	84,053	43,015	12,289	1,516	(59,086)	434,751	65,651	49,430	913,853
For the nine months ended September 30, 2017												
Net earnings		-	-	-	-	-	-	-	15,298	-	(12,381)	2,917
Other comprehensive loss		-	-	-	-	-	-	-	-	(63,702)	(13,056)	(76,758)
Dividends on Preference Shares, series 2		-	-	-	-	-	-	-	(3,711)	-	-	(3,711)
Dividends on Preference Shares, series 3		-	-	-	-	-	-	-	(1,482)	-	-	(1,482)
Stock based compensation	21, 25	77,169	450	-	-	937	-	-	-	-	-	1,387
Changes of ownership interest in subsidiaries	5	-	-	-	-	-	-	2,762	-	-	1,168	3,930
Balance, September 30, 2017		**58,813,651**	**$ 282,684**	**$ 84,053**	**$ 43,015**	**$ 13,226**	**$ 1,516**	**$ (56,324)**	**$ 444,856**	**$ 1,949**	**$ 25,161**	**$ 840,136**

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

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

(expressed in thousands of Canadian dollars)

		For the nine months ended	
	Note	September 30, 2017	September 30, 2016
OPERATING ACTIVITIES:			
Net earnings (loss) for the period		$ 2,917	$ (34,192)
Adjusted for:			
Items not affecting cash and other adjustments	29	(39,926)	(29,148)
Changes in non-cash working capital items	29	31,344	174,788
CASH (USED IN) PROVIDED FROM OPERATING ACTIVITIES		(5,665)	111,448
INVESTING ACTIVITIES:			
Net investment in resource assets		(613)	(112)
Net investment in livestock and other agricultural assets		(62,191)	(24,745)
Proceeds from (disbursement of) cash in business dispositions	4	22,110	(198,296)
Acquisitions of portfolio investments		(12,723)	(57,212)
Proceeds from dispositions of portfolio investments		132,641	30,179
Net investment in capital and other assets		2,879	(4,345)
CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES		82,103	(254,531)
FINANCING ACTIVITIES:			
Change in corporate debt		(52,045)	20,136
Issuance of Class A subordinate shares and warrants, net of issue costs		-	(20)
Net cash from transactions with non-controlling interests		400	-
Redemption of Preference Shares, series 4		-	(5,504)
Redemption of Preference Shares, series 5		-	(11,474)
Issue costs, Preference Shares, series 5		-	(2,415)
Dividends paid on Preference Shares, series 2		(3,711)	(3,711)
Dividends paid on Preference Shares, series 3		(1,482)	(1,488)
CASH USED IN FINANCING ACTIVITIES		(56,838)	(4,476)
NET INCREASE (DECREASE) IN CASH DURING THE PERIOD		19,600	(147,559)
Cash, beginning of period		75,615	233,687
CASH, END OF PERIOD		**$ 95,215**	**$ 86,128**
Cash flows include the following amounts:			
Interest paid		$ 13,234	$ 11,897
Taxes paid		$ 1,657	$ 486

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

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

For the three and nine months ended September 30, 2017 and 2016
Tabular dollar amounts in thousands of Canadian dollars, except per share amounts

1. NATURE OF OPERATIONS

Dundee Corporation (the "Corporation" or "Dundee Corporation") is a public Canadian independent holding company, listed on the Toronto Stock Exchange ("TSX") under the symbol "DC.A". Through its operating subsidiaries, the Corporation is engaged in diverse business activities in the areas of investment advisory, corporate finance, energy, resources, agriculture, real estate and infrastructure. The Corporation also holds, directly and indirectly, a portfolio of investments mostly in these key areas, as well as other select investments in both publicly listed and private enterprises.

The Corporation is incorporated under the *Business Corporations Act* (Ontario) and is domiciled in Canada. The Corporation's head office is located at 1 Adelaide Street East, 21st Floor, Toronto, Ontario, Canada, M5C 2V9.

At September 30, 2017 and December 31, 2016, the Corporation's major operating subsidiaries included:

	As at and for the nine months ended September 30, 2017		As at and for the year ended December 31, 2016	
(in alphabetical order)	Opening Ownership	Ending Ownership	Opening Ownership	Ending Ownership
AgriMarine Holdings Inc.	100%	100%	100%	100%
Blue Goose Capital Corp.	90%	90%	88%	90%
Dundee 360 Real Estate Corporation	100%	100%	100%	100%
Dundee Energy Limited	58%	58%	58%	58%
Dundee Securities Ltd.	100%	100%	100%	100%
Dundee Sustainable Technologies Inc.	66%	66%	66%	66%
Goodman & Company, Investment Counsel Inc.	100%	100%	100%	100%
United Hydrocarbon International Corp.	85%	85%	35%	85%

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements of the Corporation as at and for the three and nine months ended September 30, 2017 ("September 2017 Interim Consolidated Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, "*Interim Financial Reporting*". The September 2017 Interim Consolidated Financial Statements should be read in conjunction with the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2016 ("2016 Audited Consolidated Financial Statements") which were prepared in accordance with IFRS as applicable for annual financial statements. The September 2017 Interim Consolidated Financial Statements were authorized for issuance by the Board of Directors on November 14, 2017.

Changes in Accounting Policies Implemented During the Nine Months Ended September 30, 2017

The September 2017 Interim Consolidated Financial Statements follow the same accounting principles and methods of application as those disclosed in note 3 to the 2016 Audited Consolidated Financial Statements, except as described below.

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

On January 1, 2017, the Corporation implemented certain amendments to IAS 7, which require that entities provide enhanced information about changes in their financial liabilities, including changes from cash flows and non-cash changes. The implementation of amendments to IAS 7 had no impact to the Corporation's September 2017 Interim Consolidated Financial Statements.

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

On January 1, 2017, the Corporation implemented certain amendments to IAS 12, which clarifies guidance on the recognition of deferred tax assets related to unrealized losses resulting from debt instruments that are measured at their fair value. The implementation of IAS 12 had no impact to the Corporation's September 2017 Interim Consolidated Financial Statements.

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

IFRS accounting standards, interpretations and amendments to existing IFRS accounting standards that were not yet effective as at December 31, 2016, are described in note 3 to the 2016 Audited Consolidated Financial Statements. There were no other changes to existing IFRS accounting standards and interpretations since December 31, 2016 that are expected to have a material effect on the Corporation's consolidated financial statements.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the September 2017 Interim Consolidated Financial Statements in accordance with IFRS requires the Corporation to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the reported amounts of assets, liabilities, revenues and other items in net operating earnings or loss, and the related disclosure of contingent assets and liabilities included in the Corporation's consolidated financial statements. 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 amounts of revenues and other items in net operating earnings or loss that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no significant changes in accounting judgments, estimates and assumptions made by the Corporation in the preparation of the September 2017 Interim Consolidated Financial Statements from those judgments, estimates and assumptions disclosed in note 4 to the 2016 Audited Consolidated Financial Statements.

4. SIGNIFICANT ACQUISITIONS OR DISPOSITIONS

Dispositions During the Nine Months Ended September 30, 2017

Disposition of Dundee Securities Inc.

On May 26, 2017, Dundee Securities Ltd. ("Dundee Securities"), a wholly-owned subsidiary of the Corporation, disposed of its 100% interest in Dundee Securities Inc. ("DSI"), a member of the Financial Industry Regulatory Authorities and registered as a broker dealer with the U.S. Securities Exchange Commission, for gross proceeds of $1,346,000.

Disposition of United Hydrocarbon Chad Ltd.

Pursuant to a share purchase agreement ("SPA") settled on September 22, 2017, United Hydrocarbon International Corp. ("UHIC") and its wholly-owned subsidiary, United Hydrocarbon Holdings Ltd. ("UHHL") completed a transaction whereby UHHL sold its 100% interest in United Hydrocarbon Chad Ltd. ("UHCL") to Delonex Energy Limited ("Delonex"), a Sub-Saharan oil and gas company focused on exploration, development and production. UHCL is the holder of the production sharing contract ("PSC"), pursuant to which UHIC had indirectly carried out its exploration activities in the Republic of Chad.

Subject to certain amounts that were retained or otherwise held in escrow as further described below, UHIC received cash of US$35,000,000 at closing of the transaction, adjusted for working capital shortfalls of US$2,188,000. UHIC is entitled to receive additional first production bonus amounts of up to US$50,000,000 upon Delonex successfully achieving first oil. Furthermore, UHIC retained a royalty interest ranging from 5% to 10% of net cash flows generated pursuant to the PSC, after payment of royalties and taxes to the Republic of Chad as provided for in the PSC. Such royalty payments will only be paid to UHIC if the average price of Brent Crude oil is equal to or greater than US$45.00 per barrel in any calendar quarter.

At closing, US$9,500,000 of the cash consideration was placed in an escrow account, of which US$6,850,000 will be released to UHIC on or prior to March 22, 2019, subject to any claims by Delonex of breaches against representations, warranties or covenants in the SPA, or against any other indemnity provisions. The remaining US$2,650,000 will released at the earlier of first production or September 22, 2020, less any amounts that may have been required to complete abandonment and reclamation obligations on wells that have not been re-entered or otherwise utilized by that date.

In addition, UHCL and Delonex have entered into an agreement in respect of a further holdback of US$3,000,000, which is available to Delonex to fund any fees associated with an extension of the current terms of the PSC. Upon the granting of such extension by the Republic of Chad, any amounts not used by Delonex to secure the extension will be returned to UHIC. Should an extension not be granted prior to June 5, 2020, the holdback will be forfeited by UHIC to Delonex.

The Corporation has accounted for this transaction as a disposition of UHCL and therefore, it has derecognized UHCL's assets and liabilities at their consolidated carried value immediately prior to the date of the transaction. Non-cash consideration received in exchange for the disposition of UHCL, including UHIC's entitlement to a royalty interest, has been recorded at its estimated fair value, determined using a risk adjusted discounted cash flow valuation model. The Corporation has determined that its entitlement to cash flows pursuant to the terms of the royalty interest is an entitlement to cash and accordingly, it has classified the royalty interest as a financial asset (note 30).

The operations of UHCL were denominated in U.S. currency. Accordingly, upon the derecognition of UHCL's net assets, the Corporation transferred $64,436,000 of foreign exchange currency gains previously recorded as other comprehensive income to net earnings.

Summary of Dispositions Completed During the Nine Months Ended September 30, 2017

The carrying value of net assets sold, together with a summary of the consideration received and the resulting gain or loss on dispositions completed during the nine months ended September 30, 2017, are illustrated in the following table.

	DSI	UHCL
Carrying value of net assets sold:		
Cash	$ 953	$ 3,204
Accounts receivable	367	231
Income taxes receivable	34	-
Resource assets	-	213,441
Capital and other assets	-	191
Accounts payable	(2)	(6,125)
Decommissioning liabilities	-	(3,114)
Foreign currency translation gain in accumulated other comprehensive income	-	(64,436)
	1,352	143,392
Proceeds received on disposition of net assets:		
Cash	1,346	24,921
Accounts receivable		
First production bonus	-	30,673
Escrowed consideration	-	11,655
Holdbacks	-	3,681
Other expected working capital adjustments	-	774
Resource assets		
Royalty interest	-	136,124
	1,346	207,828
Gain (loss) on sale of net assets	**$ (6)**	**$ 64,436**

Significant Acquisitions and Dispositions During 2016

On April 25, 2016, Dundee Securities completed a transaction whereby it sold essentially all of the assets and liabilities related to its retail division. On December 2, 2016, Dundee Securities completed a further transaction whereby it sold all of the assets and liabilities related to its capital markets division.

On October 4, 2016, Blue Goose Capital Corp. (“Blue Goose”), the Corporation’s agriculture subsidiary, completed a transaction that resulted in the sale of 100% of its indirect interest in Fischer Feeds Limited.

On October 17, 2016, Blue Goose acquired substantially all of the operating assets of the meat processing business of Tender Choice Foods Inc. (“Tender Choice”), a facility specializing in the production, processing and distribution of various meat products.

Comparative net operating earnings or loss for the three and nine months ended September 30, 2016 include the results of the underlying operations of disposed assets and liabilities through to the date of disposition. Similarly, operating results from acquisitions are only included in operations from the date of the acquisition.

Further information regarding significant acquisitions or dispositions completed by the Corporation during the prior year ended December 31, 2016 are described in note 5 to the 2016 Audited Consolidated Financial Statements.

5. ACQUISITIONS AND DILUTIONS OF INTERESTS IN SUBSIDIARIES

Change of Ownership Interests in Subsidiaries

				Interest Owned as at	Effect on Reserves for Changes in Equity of Subsidiaries during the nine months ended	
	30-Sept-17	31-Dec-16	30-Sept-16	31-Dec-15	30-Sept-17	30-Sept-16
Blue Goose Capital Corp.	90%	90%	89%	88%	$ 18	$ 1,542
Dundee Energy Limited	58%	58%	58%	58%	10	-
Dundee Sustainable Technologies Inc.	66%	66%	66%	66%	355	-
Eurogas International Inc.	54%	53%	53%	53%	(3)	-
United Hydrocarbon International Corp.	85%	85%	85%	35%	2,382	(69,987)
Total					**$ 2,762**	**$ (68,445)**

Blue Goose Capital Corp.

During the nine months ended September 30, 2017, the Corporation received 74,793 common shares of Blue Goose as partial payment of interest pursuant to the terms of certain convertible debentures issued by Blue Goose to the Corporation. This transaction, combined with other transactions conducted between Blue Goose and its minority shareholders, resulted in an increase in reserves for changes in equity of subsidiaries of $18,000.

Issuance of Limited Partnership Units in Subsidiary of Dundee Energy Limited ("Dundee Energy")

During the nine months ended September 30, 2017, and in order to fund legal and other related costs of the Castor Project arbitration process (note 10), a subsidiary of Dundee Energy raised funds through voluntary cash calls to its limited partners. The subsidiary raised partners' capital of $1,338,000 from the cash calls, including $1,002,000 raised directly from Dundee Energy. As not all limited partners participated in the voluntary cash calls, Dundee Energy's interest in the subsidiary increased marginally, resulting in a reduction in reserves for changes in equity of subsidiaries of $15,000.

Cancellation of Shares Pursuant to Sunset Clause Provisions

On April 1, 2017, Dundee Energy cancelled 185,158 of its common shares and Eurogas International Inc. ("Eurogas") cancelled 38,109 of its common shares pursuant to its sunset clause provisions relating to prior corporate reorganizations. These transactions, combined with other transactions between these entities and their minority shareholders, resulted in a change in the Corporation's ownership interest in these subsidiaries, and an associated increase in reserves for changes in equity of subsidiaries of $22,000 in aggregate.

Other Equity Changes in Subsidiaries During the Nine Months Ended September 30, 2017

As a result of the grant of stock based awards by certain other subsidiaries of the Corporation (note 25), and the consequential increase in the subsidiaries' underlying equity to account for the associated stock based compensation expense, during the nine months ended September 30, 2017, the Corporation recognized an increase of $2,382,000 in its reserves for changes in equity of subsidiaries relating to its investment in UHIC and an increase of $355,000 relating to its investment in Dundee Sustainable Technologies Inc.

Changes in Equity of Subsidiaries During the Nine Months Ended September 30, 2016

On August 30, 2016, the Corporation completed a restructuring of UHIC's capital structure, pursuant to which the Corporation converted approximately $322,823,000 of aggregate principal amount of outstanding debt owed by UHIC to the Corporation into common shares of UHIC which, when aggregated with the Corporation's previous ownership interest in UHIC, represents 85% of the issued and outstanding common shares of UHIC. This transaction, combined with other transactions conducted between UHIC and its minority shareholders, resulted in a reduction in reserves for changes in equity of subsidiaries of $69,987,000, including reattribution of accumulated other comprehensive income of $41,908,000 (note 21).

On July 20, 2016, the Corporation converted approximately $9,869,000 of aggregate principal amount of outstanding debt owed by Blue Goose to the Corporation into 1,644,823 common shares of Blue Goose, increasing its ownership interest in Blue Goose to 89%. The transaction, combined with other transactions between Blue Goose and its non-controlling shareholders, resulted in a $1,542,000 increase in reserves for changes in equity of subsidiaries.

6. CLIENT ACCOUNTS RECEIVABLE

As at	September 30, 2017	December 31, 2016
Brokers' and dealers' balances	$ 5,196	$ 5,162
Funds deposited into trust	20,818	17,023
	$ 26,014	**$ 22,185**

"*Funds deposited into trust*" include $20,818,000 (December 31, 2016 – $17,023,000) of funds placed in escrow by an acquiror in a real estate property transaction from which applicable fees are distributed to the relevant parties associated with the real estate transaction. Included in "*Client deposits and related liabilities*" (note 17) is a corresponding liability related to these deposits.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Commodity Risk Management

At September 30, 2017, Dundee Energy had entered into a commodity swap derivative contract to manage its exposure to volatility in the prices received for the sale of the underlying commodities. This derivative instrument was not designated as a hedging instrument and accordingly, was classified as a financial instrument at fair value through profit or loss. Therefore, changes in the fair value of this derivative financial instrument is recorded in the consolidated statement of operations and comprehensive loss.

Dundee Energy has determined that the fair value of the commodity swap derivative contract at September 30, 2017 resulted in a liability balance of $203,000 (December 31, 2016 – $2,275,000). During the three and nine months ended September 30, 2017, Dundee Energy recognized a gain of $93,000 and $1,233,000 respectively (three and nine months ended September 30, 2016 – gain of $269,000 and loss of $605,000 respectively) from changes in the fair value of commodity swap derivative contracts.

Warrants and Options Associated with Investments

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

Embedded Derivatives

The Corporation has determined that the redemption option feature of the Corporation's Preference Shares, series 5 meets the definition of an embedded derivative, as the economic risks and characteristics of the redemption option are not closely related to that of the Preference Shares, series 5. Accordingly, the embedded redemption option has been bifurcated and has been recognized in the consolidated financial statements as a derivative financial instrument. The Corporation has determined that the estimated fair value of the embedded derivative option associated with its Preference Shares, series 5 was $nil at September 30, 2017 and December 31, 2016.

8. BROKERAGE SECURITIES OWNED AND BROKERAGE SECURITIES SOLD SHORT

As at		September 30, 2017			December 31, 2016			
		Securities Owned		Securities Sold Short		Securities Owned		Securities Sold Short
Equities	$	10,226	$	-	$	11,843	$	1
Other		1,474		-		1,435		-
	$	**11,700**	**$**	**-**	**$**	**13,278**	**$**	**1**

9. INVESTMENTS

Fair Value of Investments

As at		September 30, 2017			December 31, 2016			
		Cost		Fair Value		Cost		Fair Value
Publicly traded securities	$	400,710	$	194,535	$	597,865	$	256,325
Private investments		262,335		134,293		220,674		123,648
Debt securities		48,226		34,402		95,994		53,374
Warrants and options		21		529		516		227
	$	**711,292**	**$**	**363,759**	**$**	**915,049**	**$**	**433,574**

During the nine months ended September 30, 2017, the Corporation invested $11,468,000 (nine months ended September 30, 2016 – $54,233,000) to acquire new positions, or to increase its interest in existing positions within its portfolio. Investments include the purchase of $5,000,000 Class E convertible preferred units of Parq Equity Limited Partnership, the limited partnership structure that ultimately owns the Corporation's interest in the casino and resort development project in Vancouver, British Columbia (note 10).

During the same period, the Corporation generated proceeds of $132,641,000 (nine months ended September 30, 2016 – $30,179,000) from the sale of certain other investments, including proceeds of $106,113,000 from the sale of 100% of the Corporation's investment in 15,536,288 class A subordinate voting shares of Dream Unlimited Corp., and a repayment of $2,500,000 against a subordinated advance of $17,500,000 provided to the acquirors of Dundee Securities' capital markets division (note 4).

Net Gain (Loss) from Investments

For the nine months ended		September 30, 2017			September 30, 2016			
		Realized		Unrealized		Realized		Unrealized
Publicly traded securities	$	(86,369)	$	135,018	$	3,254	$	111,430
Private investments		740		(3,021)		2,591		(6,515)
Mutual funds and other short-term investments		-		-		-		42
Debt securities		(694)		1,148		419		(222)
Warrants and options		401		797		(271)		548
	$	**(85,922)**	**$**	**133,942**	**$**	**5,993**	**$**	**105,283**

For the three months ended		September 30, 2017			September 30, 2016			
		Realized		Unrealized		Realized		Unrealized
Publicly traded securities	$	-	$	15,278	$	(16)	$	9,241
Private investments		-		(2,239)		1,875		(4,494)
Mutual funds and other short-term investments		-		-		-		3
Debt securities		-		2,231		-		1,212
Warrants and options		-		116		(182)		309
	$	**-**	**$**	**15,386**	**$**	**1,677**	**$**	**6,271**

The Corporation's portfolio of investments has been designated as a portfolio of investments at fair value through profit or loss ("FVTPL"). Accordingly, changes in the fair value of individual investments since December 31, 2016 are included in the Corporation's net earnings or loss. During the three and nine months ended September 30, 2017, the Corporation recognized a gain in the fair value of its investments designated as FVTPL of $15,386,000 and $48,020,000 respectively (three and nine months ended September 30, 2016 – $7,948,000 and $111,276,000 respectively).

The net gain recognized during the nine months ended September 30, 2017 includes a gain of $2,175,000 (nine months ended September 30, 2016 – loss of $865,000) realized on the Corporation's investment in class A subordinate voting shares of Dream Unlimited Corp. prior to their disposition, and a gain of $14,552,000 (nine months ended September 30, 2016 – $69,785,000) related to the Corporation's investment in 36,381,552 common shares of Dundee Precious Metals Inc.

10. EQUITY ACCOUNTED INVESTMENTS

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

(i) Dundee Corporation owns a 50% interest in Paragon Holdings (Smithe Street) ULC, which, in turn owns an indirect 74% interest in a resort development project, giving Dundee Corporation an effective 37% interest in the underlying project, before any changes in ownership that may result from the exercise of the Corporation's conversion rights.

(ii) Dundee Energy Limited's 74% owned subsidiary, Castor UGS Limited Partnership, holds a 33% interest in Escal UGS S.L., giving Dundee Energy Limited an effective 23% interest and Dundee Corporation an effective 14% interest in Escal UGS S.L.

A detailed description of significant transactions that affected the carrying value of equity accounted investments as at December 31, 2016 is provided in note 11 to the 2016 Audited Consolidated Financial Statements. Other than as described below, there were no significant transactions that affected the carrying value of equity accounted investments since December 31, 2016.

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

Paragon Holdings holds an interest in Parq Holdings Limited Partnership, the developer of a casino and resort development project in Vancouver, British Columbia (the "Parq Project"). The Parq Project commenced certain operations on September 29, 2017, including casino operations and certain food and beverage activities. Hotel operations were initiated subsequent to September 30, 2017. During the nine months ended September 30, 2017, the ownership group provided further equity of $10,000,000 to the Parq Project, including $5,000,000 funded directly by the Corporation in the form of Class E convertible preferred units. In addition to the equity contributions by the owners, the current lenders to the project provided further financing of approximately $28,000,000 in net proceeds.

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

The Corporation holds a 33% interest in Dundee Sarea Fund, a special situations, private equity fund. During the nine months ended September 30, 2017, the Corporation invested a further $1,575,000 to Dundee Sarea Fund and, as a result, at September 30, 2017, $18,222,000 had been invested or otherwise committed to Dundee Sarea Fund. At September 30, 2017, Dundee Sarea Fund's sole investment consisted of a 100% ownership in Redecam Group S.p.A, an Italian-based designer, manufacturer and installer of air filtration equipment and flue gas treatment systems for air pollution control.

Dundee Acquisition Ltd. ("Dundee Acquisition")

On January 27, 2017, the shareholders of Dundee Acquisition approved a proposed qualifying acquisition to effect a business combination with 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 in the escrow account to the holders of its class A restricted voting shares, which was completed on April 21, 2017.

Escal UGS S.L. ("Escal")

Escal is the developer and former owner of the Castor underground gas storage project located in Spain (the "Castor Project"). A 74% owned subsidiary of Dundee Energy ("CLP") holds a 33% interest in Escal, providing the Corporation with an indirect 14% interest in Escal. The remaining interest in Escal is held by ACS Servicios Communicaciones y Energia, S.L. ("ACS").

CLP had previously initiated binding arbitration proceedings against ACS as to the sharing of cash flows from the Castor Project. On March 27, 2017, Dundee Energy 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 has determined that it will not seek any remedies in respect of the decision rendered by the tribunal.

The Corporation accounts for its investment in Escal using the equity method. Recognition of its proportionate share of losses incurred by Escal draws the Corporation's carrying value to below zero. At September 30, 2017 and December 31, 2016, the Corporation had not recorded a liability related to losses in Escal, as it does not have the legal or constructive obligation in respect thereof.

Share of Earnings (Loss) from Equity Accounted Investments

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Android Industries, LLC	$ 583	$ (72)	$ 677	$ (71)
Cambridge Medical Funding Group II, LLC	7	(281)	(57)	(173)
Cambridge Medical Capital Services LLC	13	-	(581)	-
Dundee Acquisition Ltd.	(15)	(1,113)	2,079	(2,725)
Dundee Sarea Acquisition I Limited Partnership	(215)	(82)	370	(1,049)
Dundee Sarea Limited Partnership	(214)	194	(277)	182
Paragon Holdings (Smithe Street) ULC	6,282	(1,245)	10,404	3,470
Union Group International Holdings Limited	298	(1,182)	(7,767)	(2,178)
Others	(17)	(22)	(33)	(119)
	6,722	(3,803)	4,815	(2,663)
Real estate joint venture investments	(177)	163	982	152
	$ 6,545	**$ (3,640)**	**$ 5,797**	**$ (2,511)**

Distributions from Equity Accounted Investments

During the nine months ended September 30, 2017, the Corporation received a distribution of $175,000 (nine months ended September 30, 2016 – $279,000) from its investment in Android Industries, LLC.

11. REAL ESTATE JOINT VENTURE INVESTMENTS

As at	September 30, 2017			December 31, 2016		
Investment	Ownership		Carrying Value	Ownership		Carrying Value
Bellavista Resorts S.A.	31%	$	2,000	31%	$	2,000
Vancuba Holdings S.A.	60%		-	61%		-
Gran Leon Resorts S.A.	1%		-	1%		-
Sotarbat 360 S.A.S.	45%		3,365	45%		2,216
Receivable from real estate joint venture investees	n/a		55	n/a		437
		$	**5,420**		**$**	**4,653**

During the nine months ended September 30, 2017, Dundee 360 Real Estate Corporation ("Dundee 360") recognized a gain of $982,000 (nine months ended September 30, 2016 – $152,000), net of a loss recognized in the third quarter of 2017 of $177,000 (three months ended September 30, 2016 – gain of $163,000) from its investments in real estate joint ventures.

12. REAL ESTATE ASSETS

	For the nine months ended September 30, 2017				For the year ended December 31, 2016					
		Clearpoint Resort Limited (Malta)		Total		Tides Inn		Clearpoint Resort Limited (Malta)		Total
Balance, beginning of period	$	5,593	$	5,593	$	418	$	14,385	$	14,803
Depreciation		-		-		(416)		(8,007)		(8,423)
Currency translation adjustment		304		304		(2)		(785)		(787)
Balance, end of period	**$**	**5,897**	**$**	**5,897**	**$**	**-**	**$**	**5,593**	**$**	**5,593**

13. RESOURCE ASSETS

	Property, Plant and Equipment					Exploration and Evaluation	
	Oil and Gas Development Costs	Pipeline Infrastructure	Machinery and Equipment	Land and Buildings	Other	Undeveloped Properties	Total
At December 31, 2015							
Cost	$ 160,565	$ 27,751	$ 29,544	$ 4,715	$ 2,819	$ 523,681	$ 749,075
Accumulated depreciation and depletion	(74,588)	(8,570)	(8,553)	(139)	(1,234)	(252,677)	(345,761)
Net carrying value, December 31, 2015	85,977	19,181	20,991	4,576	1,585	271,004	403,314
For the nine months ended September 30, 2016							
Carrying value December 31, 2015	85,977	19,181	20,991	4,576	1,585	271,004	403,314
Net additions	-	-	(1,432)	-	(31)	(16,900)	(18,363)
Remeasure decommissioning liabilities (note 19)	6,061	-	-	-	-	(316)	5,745
Depreciation and depletion							
Impairment	(5,000)	-	-	-	-	-	(5,000)
Other	(5,050)	(725)	(1,015)	(23)	(18)	-	(6,831)
Net carrying value, September 30, 2016	81,988	18,456	18,544	4,553	1,536	253,788	378,865
At September 30, 2016							
Cost	166,626	27,751	27,753	4,715	2,788	506,465	736,098
Accumulated depreciation and depletion	(84,638)	(9,295)	(9,209)	(162)	(1,252)	(252,677)	(357,233)
Net carrying value, September 30, 2016	81,988	18,456	18,544	4,553	1,536	253,788	378,865
From October 1, 2016 to December 31, 2016							
Carrying value September 30, 2016	81,988	18,456	18,544	4,553	1,536	253,788	378,865
Net additions	-	-	(12)	-	-	5,163	5,151
Remeasure decommissioning liabilities (note 19)	(9,255)	-	-	-	-	23	(9,232)
Depreciation and depletion							
Impairment	-	-	-	-	-	(6,934)	(6,934)
Other	(1,636)	(232)	(337)	(8)	-	-	(2,213)
Net carrying value, December 31, 2016	71,097	18,224	18,195	4,545	1,536	252,040	365,637
At December 31, 2016							
Cost	157,371	27,751	27,741	4,715	2,788	511,651	732,017
Accumulated depreciation and depletion	(86,274)	(9,527)	(9,546)	(170)	(1,252)	(259,611)	(366,380)
Net carrying value, December 31, 2016	71,097	18,224	18,195	4,545	1,536	252,040	365,637
For the nine months ended September 30, 2017							
Carrying value December 31, 2016	71,097	18,224	18,195	4,545	1,536	252,040	365,637
Business disposition (note 4)	-	-	-	-	136,124	(213,441)	(77,317)
Net additions *	-	-	(34)	-	2,351	(19,845)	(17,528)
Remeasure decommissioning liabilities (note 19)	(157)	-	-	-	-	175	18
Depreciation and depletion							
Impairment	-	-	-	-	-	(18,929)	(18,929)
Other	(4,551)	(705)	(1,010)	(23)	(28)	-	(6,317)
Net carrying value, September 30, 2017	66,389	17,519	17,151	4,522	139,983	-	245,564
At September 30, 2017							
Cost	157,214	27,751	27,696	4,715	141,263	25,863	384,502
Accumulated depreciation and depletion	(90,825)	(10,232)	(10,545)	(193)	(1,280)	(25,863)	(138,938)
Net carrying value, September 30, 2017	**$ 66,389**	**$ 17,519**	**$ 17,151**	**$ 4,522**	**$ 139,983**	**$ -**	**$ 245,564**

* *Includes an $18,415,000 foreign currency translation loss (nine months ended September 30, 2016 – $12,780,000 foreign currency translation loss; three months ended December 31, 2016 – $5,197,000 foreign currency translation gains) associated with resource assets in foreign jurisdictions.*

Impairment of Undeveloped Properties by Dundee Energy

Dundee Energy's undeveloped properties include properties that have been designated as exploration and evaluation properties. Dundee Energy requires substantial amounts of financial resources to further exploit these properties. At September 30, 2017, and in light of restricted financial resources available to Dundee Energy (note 18), Dundee Energy determined that it was appropriate to impair these assets by $18,929,000, reducing their carried value to $nil. During the year ended December 31, 2016, Dundee Energy had provided an impairment of $6,934,000 against certain other undeveloped properties that did not have any identified commercially viable resources or reserves.

Royalty Interest

In connection with the disposition of its investment in UHCL, UHIC will retain a royalty interest in the underlying PSC. Under the terms of this arrangement, UHIC will be entitled to a royalty interest ranging from 5% to 10% of net cash flows generated pursuant to the PSC, after payment of royalties and taxes to the Republic of Chad as provided for in the PSC. Such royalty payments will only be paid to UHIC if the average price of Brent Crude oil is equal to or greater than US$45.00 per barrel in any calendar quarter. At the date of acquisition on September 22, 2017, the Corporation estimated the fair value of the royalty interest at $136,124,000.

14. LIVESTOCK

	For the nine months ended September 30, 2017			For the year ended December 31, 2016		
	Inventory	Biological Assets	Total	Inventory	Biological Assets	Total
Balance, beginning of period	$ 8,556	$ 34,745	$ 43,301	$ 3,101	$ 40,599	$ 43,700
Acquisition	-	-	-	5,349	-	5,349
Net additions (usage / harvested)	5,806	(8,947)	(3,141)	106	(10,605)	(10,499)
Fair value changes	-	8,381	8,381	-	4,751	4,751
Balance, end of period	**$ 14,362**	**$ 34,179**	**$ 48,541**	**$ 8,556**	**$ 34,745**	**$ 43,301**

15. CAPITAL AND OTHER ASSETS

	Capital Assets				*Intangible Assets*		
	Furniture and Fixtures	Computer and Network Equipment	Land and Buildings	Other	Trademarks	Other Intangible Assets	Total
At December 31, 2015							
Cost	$ 9,412	$ 11,488	$ 66,200	$ 58,308	$ 29,950	$ 92,652	$ 268,010
Accumulated depreciation	(7,018)	(9,425)	(2,888)	(15,975)	(22,188)	(37,425)	(94,919)
Net carrying value, December 31, 2015	2,394	2,063	63,312	42,333	7,762	55,227	173,091
For the nine months ended September 30, 2016							
Carrying value December 31, 2015	2,394	2,063	63,312	42,333	7,762	55,227	173,091
Dispositions	(489)	(38)	-	(1,058)	-	(8,217)	(9,802)
Net additions	(36)	105	2,360	(467)	109	(731)	1,340
Depreciation							
Impairment	-	-	-	-	-	(9,320)	(9,320)
Other	(406)	(870)	(987)	(4,220)	(797)	(1,638)	(8,918)
Net carrying value, September 30, 2016	1,463	1,260	64,685	36,588	7,074	35,321	146,391
At September 30, 2016							
Cost	7,183	10,771	68,560	54,829	30,059	65,891	237,293
Accumulated depreciation	(5,720)	(9,511)	(3,875)	(18,241)	(22,985)	(30,570)	(90,902)
Net carrying value, September 30, 2016	1,463	1,260	64,685	36,588	7,074	35,321	146,391
From October 1, 2016 to December 31, 2016							
Carrying value September 30, 2016	1,463	1,260	64,685	36,588	7,074	35,321	146,391
Acquisition (dispositions)	(70)	(7)	(2,897)	(1,694)	-	44,617	39,949
Net additions	187	129	(1,245)	710	81	(905)	(1,043)
Depreciation	(383)	(357)	(398)	(1,515)	(267)	(1,244)	(4,164)
Net carrying value, December 31, 2016	1,197	1,025	60,145	34,089	6,888	77,789	181,133
At December 31, 2016							
Cost	3,667	8,661	64,170	52,603	16,529	92,268	237,898
Accumulated depreciation	(2,470)	(7,636)	(4,025)	(18,514)	(9,641)	(14,479)	(56,765)
Net carrying value, December 31, 2016	1,197	1,025	60,145	34,089	6,888	77,789	181,133
For the nine months ended September 30, 2017							
Carrying value December 31, 2016	1,197	1,025	60,145	34,089	6,888	77,789	181,133
Business disposition (note 4)	(45)	(52)	-	(94)	-	-	(191)
Net additions	163	(122)	(1,158)	425	95	(403)	(1,000)
Depreciation	(673)	(402)	(500)	(5,084)	(772)	(4,507)	(11,938)
Net carrying value, September 30, 2017	642	449	58,487	29,336	6,211	72,879	168,004
At September 30, 2017							
Cost	2,749	5,863	63,012	48,908	16,624	91,865	229,021
Accumulated depreciation	(2,107)	(5,414)	(4,525)	(19,572)	(10,413)	(18,986)	(61,017)
Net carrying value, September 30, 2017	**$ 642**	**$ 449**	**$ 58,487**	**$ 29,336**	**$ 6,211**	**$ 72,879**	**$ 168,004**

On June 30, 2016, Dundee 360 executed a series of agreements pursuant to which Dundee 360 surrendered certain trademarks in exchange for a release of obligations associated with its hospitality services activities. Upon settlement of these transactions, Dundee 360 accelerated the depreciation in the value attributed to these trademarks and the associated hospitality services agreements by $5,775,000, reducing their carried value to $nil.

During the first nine months of the prior year, the development management contract previously awarded to Dundee 360 for the construction of a resort development project was cancelled and accordingly, Dundee 360 accelerated the depreciation of the value attributed to the development management contract by $3,545,000, reducing the carrying value to $nil.

16. GOODWILL

As part of its acquisition of Tender Choice in October 2016 (note 4), Blue Goose had committed to pay additional contingent consideration of up to $35,000,000 if the operations of Tender Choice exceeded certain thresholds in each of the calendar years ending December 31, 2017 and December 31, 2018. The fair value of the contingent consideration on the date of the acquisition was $17,400,000, and was determined by applying a probability metric to earnings before interest, depreciation and income taxes that Blue Goose expected to be generated by Tender Choice. The fair value measurement of contingent consideration increased the total aggregate consideration transferred for the acquisition of the underlying net assets, and goodwill of $23,638,000 was calculated as the excess of the purchase price (including the value attributed to future contingent consideration) over the fair value of the net assets acquired.

During the nine months ended September 30, 2017, Blue Goose reassessed the probability metrics related to the expected contingent consideration, reducing its carried value by $15,042,000 to $3,081,000, with an corresponding reduction in "*General and administrative expenses*" (note 26). Concurrently, Blue Goose reconsidered the value it had attributed to goodwill in respect of the acquisition of Tender Choice, and determined that it was appropriate to recognize an impairment of $23,638,000, reducing goodwill to its estimated fair value of $nil. The impairment of goodwill has been included in these financial statements with other "*Depreciation and depletion*".

Subsequent to September 30, 2017, and in compliance with the requirements of the Canada Food Inspection Agency, activities at Tender Choice were temporarily suspended in order to facilitate required repairs and maintenance and other plant upgrades.

17. CLIENT DEPOSITS AND RELATED LIABILITIES

As at	September 30, 2017	December 31, 2016
Brokers' and dealers' balances	$ 4,255	$ 26,673
Funds in escrow	20,818	17,023
	$ 25,073	**$ 43,696**

"*Funds in escrow*" include $20,818,000 (December 31, 2016 – $17,023,000) of funds placed in escrow by an acquiror in a real estate property transaction from which applicable fees are distributed to the relevant parties associated with the real estate transaction. Funds received pursuant to these arrangements are included in "*Client accounts receivable*" (note 6).

18. CORPORATE DEBT

As at	September 30, 2017	December 31, 2016
Corporate revolving term credit facility	$ -	$ 54,574
Subsidiaries		
Demand revolving credit facility, Dundee Energy Limited	57,400	57,400
Loan facilities, Blue Goose Capital Corp.	91,815	88,880
Loan facilities, Dundee 360 Real Estate Corporation	106	139
	$ 149,321	**$ 200,993**

Corporate Revolving Term Credit Facility

On April 27, 2017, the Corporation established an $80 million revolving term credit facility with a Canadian Schedule I Chartered Bank that matures on April 26, 2018. The credit facility replaced the Corporation's previously established credit facility, which was fully repaid and which expired on April 28, 2017. The revolving term credit facility bears interest at a rate per annum equal to the prime lending rate for loans plus 1.50% or, at the Corporation's option, at the prevailing bankers' acceptance rate or London Interbank Offered Rate plus 2.50%. Unused amounts under the revolving term credit facility are subject to an annual standby fee of 0.50%.

At September 30, 2017, the Corporation had issued letters of credit in the amount of €2,400,000 ($3,538,000 Canadian dollars) under the terms of the revolving term credit facility to support certain of its equity accounted investments. There were no further amounts drawn against the credit facility at September 30, 2017.

The Corporation has granted a first ranking security over all of its assets as security against amounts borrowed under the new revolving term credit facility. In addition to certain customary restrictions, including restrictions on the existence of other secured indebtedness, the Corporation's new revolving term credit facility requires the maintenance of certain financial ratios relating to the fair value of certain of the Corporation's investments. Therefore, the Corporation's borrowing availability will continue to increase or decrease, reflecting corresponding increases or decreases in the fair value of the Corporation's investments. At September 30, 2017, the Corporation was in compliance with all debt covenants under the terms of the new revolving term credit facility.

Demand Revolving Credit Facility, Dundee Energy Limited

Dundee Energy Limited Partnership ("DELP"), a subsidiary of Dundee Energy, has established a credit facility with a Canadian Schedule I Chartered Bank secured by the assets of DELP, and Dundee Energy has also assigned a limited recourse guarantee of its units in DELP as further security against the credit facility. At September 30, 2017, DELP had drawn $57,400,000 (December 31, 2016 – $57,400,000) pursuant to the credit facility.

The credit facility is structured as a revolving demand loan, and is subject to a tiered interest rate structure based on DELP's net debt to cash flow ratio, as defined in the credit facility. Based on ratios at September 30, 2017, draws on the credit facility bore interest at the bank's prime lending rate plus 3.5%. DELP is subject to a standby fee of 0.55% on undrawn amounts under the credit facility. The credit facility is subject to certain covenants, including maintenance of minimum levels of working capital. At September 30, 2017, DELP was in compliance with all such covenants.

On January 31, 2017, DELP entered into a forbearance agreement with its lender, pursuant to which the lender had agreed, provided that certain ongoing conditions were met, to forbear from exercising its enforcement rights and remedies arising from DELP's failure to reduce the amounts borrowed pursuant to the credit facility, to amounts that correspond to, or fall below the borrowing base available to DELP, 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 by DELP under the forbearance agreement.

The forbearance agreement provided a definitive timeline within which DELP and Dundee Energy were required to complete their intended process to identify strategic alternatives for DELP which may have included debt restructuring, a sale of all or a material portion of the assets of DELP, the outright sale of DELP, or a business combination or other transaction involving DELP and a third party. Under the terms of the forbearance agreement, DELP had committed to enter into a binding agreement under an arrangement, which binding agreement was to be satisfactory to its lender, by April 7, 2017.

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

The lender to DELP does not have recourse to Dundee Corporation in respect of this lending arrangement.

It is anticipated that Dundee Energy will continue as a going concern while a process is conducted, under the direction of the lender, to maximize the value of the business of DELP. The Corporation's September 2017 Interim Consolidated Financial Statements have consolidated the operations of Dundee Energy using accounting principles applicable to a going concern. The going concern basis assumes that Dundee Energy will continue its operations for the foreseeable future, and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The material uncertainty caused by the events described above casts significant doubt upon Dundee Energy's ability to continue as a going concern and the ultimate appropriateness of using accounting principles applicable to a going concern. Other than an assessment of Dundee Energy's ability to continue to develop its exploration properties (note 13) and of the appropriateness of recognizing the benefit of deferred income tax assets (note 27), the September 2017 Interim Consolidated Financial Statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should Dundee Energy be unable to continue as a going concern. If Dundee Energy is not able to continue as a going concern, the Corporation may be required to reassess the carrying value of its investment in Dundee Energy, in light of circumstances that could result in the realization of Dundee Energy's assets and the discharge of its liabilities in other than the normal course of business and at amounts different from those reflected in these unaudited condensed interim consolidated financial statements. These differences could be material and could result in a material loss to the Corporation.

Loan Facilities, Blue Goose Capital Corp.
Blue Goose and its subsidiaries have entered into several borrowing arrangements, pursuant to which Blue Goose had borrowed an aggregate of $91,815,000 at September 30, 2017 (December 31, 2016 – $88,880,000). Other than as 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.

Blue Goose had established credit facilities with Farm Credit Canada of up to $24,750,000. These lending arrangements included a $14,750,000 fixed term credit facility that was secured by a first charge mortgage against various real estate assets. Amounts borrowed under these arrangements 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 the purchase by Blue Goose of Tender Choice (note 4), a subsidiary of Blue Goose established a five-year senior secured credit facility with a Canadian Schedule II Chartered Bank. The credit facility includes a term component of $35,000,000 used to facilitate the acquisition of Tender Choice, and a $5,000,000 revolving component to finance working capital. The credit facility also includes additional components that may be drawn upon to fund a contingent payment of up to a further $35,000,000, should the operations of Tender Choice exceed certain thresholds in each of the calendar years ending December 31, 2017 and December 31, 2018. At September 30, 2017, Blue Goose had drawn $31,163,000 against the term component of the facility and $1,960,000 against the revolving component. These arrangements are subject to the maintenance of certain financial covenants, including covenants related to the generation of earnings before interest, depreciation and taxes, calculated on a quarterly basis. Since 2016, and during the integration of the business of Tender Choice, Blue Goose has breached certain quarterly financial covenants required under the terms of the above referenced borrowing arrangements. Blue Goose remains in active discussions with its lender to obtain waivers to these breaches of financial covenants and to seek amendments to or remedies of the terms of the credit facility that will alleviate the events causing the breaches.

Blue Goose has established a $10,000,000 real property loan facility. At September 30, 2017, amounts borrowed pursuant to this arrangement were $9,718,000. In addition to security provided by Blue Goose directly, Dundee Agriculture Corporation, a wholly-owned subsidiary of the Corporation, has provided a full guarantee in respect of amounts owing under these arrangements. Otherwise, the lending institutions to Blue Goose do not have recourse to Dundee Corporation in respect of any other amounts borrowed by Blue Goose.

In May 2017, Blue Goose amended its existing $7,500,000 demand revolving credit facility with a Canadian Schedule I Chartered Bank, increasing the amount to $12,500,000. In connection with the amendment, the lender to Blue Goose provided a further $5,000,000 demand non-revolving loan for the acquisition of farm properties and/or capital expenditures, and a $2,000,000 equipment lease facility.

Call Loan Arrangements

Dundee Securities has arranged for an uncommitted call loan facility for up to $5,000,000 at September 30, 2017. There were no amounts outstanding pursuant to these arrangements.

Interest Expense Incurred on Corporate Debt

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Corporate	$ 153	$ 936	$ 1,440	$ 2,657
Dundee Energy Limited	1,019	869	2,901	2,590
Blue Goose Capital Corp.	1,217	344	3,697	1,047
	$ 2,389	**$ 2,149**	**$ 8,038**	**$ 6,294**

19. DECOMMISSIONING LIABILITIES

	As at and for the nine months ended September 30, 2017	As at and for the year ended December 31, 2016
Discount rates applied to future obligations	*1.57% - 2.42%*	*0.76% - 2.24%*
Inflation rate	*2.00%*	*2.00%*
Discounted future obligations, beginning of period	$ 58,431	$ 61,627
Effect of disposition of UHCL (note 4)	(3,114)	-
Effect of changes in estimates and remeasurement of discount and foreign exchange rates	18	(3,487)
Liabilities settled (reclamation expenditures)	(3,324)	(603)
Accretion (interest expense)	1,020	894
Discounted future obligations, end of period	**$ 53,031**	**$ 58,431**

20. PREFERENCE SHARES

The terms of the Corporation's First Preference Shares, Series 2 ("Preference Shares, series 2"), First Preference Shares, Series 3 ("Preference Shares, series 3") and First Preference Shares, Series 5 ("Preference Shares, series 5"), and significant transactions in respect thereof during the year ended December 31, 2016, are summarized in note 21 to the Corporation's 2016 Audited Consolidated Financial Statements.

Issued and Outstanding Preference Shares, series 2

	Number of Shares	Par Value	Issue Costs	Carrying Value
Balance as at September 30, 2017, December 31, 2016 and September 30, 2016	3,479,385	$ 86,985	$ (2,932)	$ 84,053

The Preference Shares, series 2 carry an annual coupon rate of 5.688%. During the three and nine months ended September 30, 2017, the Corporation paid dividends of $1,237,000 and $3,711,000 respectively on its outstanding Preference Shares, series 2 (three and nine months ended September 30, 2016 – $1,237,000 and $3,711,000 respectively).

Issued and Outstanding Preference Shares, series 3

	Number of Shares	Par Value	Carrying Value
Balance as at September 30, 2017, December 31, 2016 and September 30, 2016	1,720,615	$ 43,015	$ 43,015

The Preference Shares, series 3 are subject to a floating dividend rate. During the three and nine months ended September 30, 2017, the Corporation paid dividends of $502,000 and $1,482,000 respectively (three and nine months ended September 30, 2016 – $504,000 and $1,488,000 respectively) on its outstanding Preference Shares, series 3, representing a coupon rate ranging from 4.58% to 4.63% respectively (three and nine months ended September 30, 2016 – ranging from 4.56% to 4.65% respectively).

Issued and Outstanding Preference Shares, series 5

	Number of Shares	Par Value	Carrying Value
For the nine months ended September 30, 2016			
Issuance of Preference Shares, series 5	4,057,172	$ 101,429	$ 101,333
Transaction costs	-	-	(2,415)
Allocation of par value to Subordinate Share Warrants	-	-	(1,516)
Amortization of discount	-	-	1,213
Redemption	(458,969)	(11,474)	(11,474)
Balance as at September 30, 2016	3,598,203	89,955	87,141
From October 1, 2016 to December 31, 2016			
Transaction costs	-	-	(42)
Amortization of discount	-	-	230
Settlement of dissent rights	-	-	107
Balance as at December 31, 2016	3,598,203	89,955	87,436
For the nine months ended September 30, 2017			
Amortization of discount	-	-	870
Balance as at September 30, 2017 *	**3,598,203**	**$ 89,955**	**$ 88,306**

* *The fair value of outstanding Preference Shares, series 5 as at September 30, 2017 was $85,709,000.*

The Preference Shares, series 5 carry an annual coupon rate of 7.5%. During the three and nine months ended September 30, 2017, the Corporation paid dividends of $1,687,000 and $5,060,000 respectively (three and nine months ended September 30, 2016 – $1,686,000 and $5,490,000 respectively) on its outstanding Preference Shares, series 5. These amounts have been included as "*Interest expense*" in the September 2017 Interim Consolidated Financial Statements.

In accordance with the terms of the Corporation's Preference Shares, series 5, holders thereof have the option to redeem up to 17% of their holdings on January 31, 2018 at a price of $25.00 per share.

21. SHARE CAPITAL

The terms of the Corporation's Class A subordinate voting shares ("Subordinate Shares") and Class B common shares ("Class B Shares"), and significant transactions in respect thereof during the year ended December 31, 2016, are summarized in note 22 to the Corporation's 2016 Audited Consolidated Financial Statements.

Issued and Outstanding

	SUBORDINATE SHARES		CLASS B SHARES		TOTAL	
	Number	Amount	Number	Amount	Number	Amount
Outstanding December 31, 2015	55,529,801	$ 273,474	3,115,232	$ 8,155	58,645,033	$ 281,629
For the nine months ended September 30, 2016						
Issuance of shares under						
share incentive arrangements	5,274	68	-	-	5,274	68
Warrants exercised	250	2	-	-	250	2
Conversion from Class B Shares						
to Subordinate Shares	98	-	(98)	-	-	-
Outstanding September 30, 2016	55,535,423	273,544	3,115,134	8,155	58,650,557	281,699
From October 1, 2016 to December 31, 2016						
Issuance of shares under						
share incentive arrangements	85,925	535	-	-	85,925	535
Conversion from Class B Shares						
to Subordinate Shares	198	1	(198)	(1)	-	-
Outstanding December 31, 2016	55,621,546	274,080	3,114,936	8,154	58,736,482	282,234
For the nine months ended September 30, 2017						
Issuance of shares under						
share incentive arrangements	77,169	450	-	-	77,169	450
Conversion from Class B Shares						
to Subordinate Shares	132	-	(132)	-	-	-
Outstanding September 30, 2017	**55,698,847**	**$ 274,530**	**3,114,804**	**$ 8,154**	**58,813,651**	**$ 282,684**

Subordinate Share Warrants

At September 30, 2017, there were 1,421,124 subordinate share warrants outstanding.

Accumulated Other Comprehensive Income

	Equity Accounted Investments	Foreign Currency Translation	Non-controlling Interest	Total
Balance at December 31, 2015	$ 5,501	$ 95,221	$ (58,627)	$ 42,095
For the nine months ended September 30, 2016				
Other comprehensive loss	(3,525)	(12,941)	6,475	(9,991)
Reattribution of accumulated other comprehensive income on				
change of ownership interest in subsidiaries (note 5)	-	-	41,908	41,908
Balance at September 30, 2016	1,976	82,280	(10,244)	74,012
From October 1, 2016 to December 31, 2016				
Other comprehensive (loss) income	(11,719)	4,414	(610)	(7,915)
Reattribution of accumulated other comprehensive income on				
change of ownership interest in subsidiaries	-	-	(446)	(446)
Balance at December 31, 2016	(9,743)	86,694	(11,300)	65,651
For the nine months ended September 30, 2017				
Other comprehensive (loss) income	4,330	(16,652)	2,475	(9,847)
Transfer of realized foreign currency translation gain in UHCL				
to net earnings (note 4)	-	(64,436)	10,581	(53,855)
Balance at September 30, 2017	**$ (5,413)**	**$ 5,606**	**$ 1,756**	**$ 1,949**

22. NON-CONTROLLING INTEREST

As at	September 30, 2017	December 31, 2016
Non-controlling interest in:		
Blue Goose Capital Corp.	$ 4,624	$ 5,987
Dundee Energy Limited	(3,467)	12,986
United Hydrocarbon International Corp.	30,100	35,442
Other	(6,096)	(4,985)
	$ 25,161	**$ 49,430**

23. REVENUES

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Management fees	$ 527	$ 566	$ 1,654	$ 5,293
Financial services	(32)	12,007	6,055	38,996
Oil and gas, net of royalties	6,052	6,060	18,730	15,542
Agriculture	32,833	16,400	99,661	54,209
Real estate	33,259	29,304	85,984	74,532
Interest, dividends and other	7,264	(513)	15,798	2,872
	$ 79,903	**$ 63,824**	**$ 227,882**	**$ 191,444**

24. COST OF SALES

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Variable compensation	$ 1,074	$ 6,810	$ 2,367	$ 21,218
Oil and gas expenses	3,834	3,588	10,010	10,536
Agriculture expenses	33,453	17,064	102,224	61,910
Real estate expenses	26,889	23,516	67,795	57,060
	$ 65,250	**$ 50,978**	**$ 182,396**	**$ 150,724**

25. SHARE INCENTIVE PLAN ARRANGEMENTS

The terms of the Corporation’s share based compensation plans are summarized in note 26 to the Corporation’s 2016 Audited Consolidated Financial Statements.

Share Bonus Plan

During the nine months ended September 30, 2017, the Corporation issued 31,050 Subordinate Shares from treasury in settlement of vested share bonus awards. Since December 31, 2016, the Corporation has awarded a further 398,018 share bonus awards with an aggregate value of $1,250,000 in settlement of certain deferred compensation arrangements. Aggregate share bonus awards granted but not yet vested at September 30, 2017 pursuant to the Corporation’s share bonus plan were 534,160.

Performance Share Unit Plan

There were 757,500 performance share units outstanding as at September 30, 2017.

Deferred Share Unit Plan

During the nine months ended September 30, 2017, the Corporation paid cash of $61,000 and issued 46,119 Subordinate Shares from treasury in net settlement of 78,404 deferred share units that track the value of the Corporation's Subordinate Shares, and 31,854 deferred share units that track the value of class A subordinate voting shares of Dream Unlimited Corp. At September 30, 2017, there were 1,327,515 deferred share units outstanding that track the value of the Corporation's Subordinate Shares, including 62,727 deferred share units issued during the first nine months of 2017, and 1,189,245 deferred share units outstanding that track the value of class A subordinate voting shares of Dream Unlimited Corp.

Stock Based Compensation

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Deferred share unit plan	$ 82	$ 93	$ 284	$ 391
Share bonus plan	260	296	626	746
Performance share unit plan	231	271	700	567
Dream Unlimited Corp. tracking share incentive arrangements:				
Deferred share units	(167)	(938)	636	(51)
	$ 406	**$ (278)**	**$ 2,246**	**$ 1,653**

Stock Based Compensation of Other Subsidiaries

From time to time, other subsidiaries of the Corporation may incur stock based compensation expense pursuant to their respective share incentive plan arrangements. During the three and nine months ended September 30, 2017, these subsidiaries recognized a stock based compensation expense amount of $2,190,000 and $3,530,000 respectively (three and nine months ended September 30, 2016 – $321,000 and $574,000 respectively). Included in stock based compensation during the nine months ended September 30, 2017 is $2,810,000 of stock based compensation incurred by UHIC, including compensation relating to the acceleration of vesting provisions following completion of its divestiture of UHCL (note 4).

26. GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Salary and salary-related	$ 15,494	$ 10,708	$ 33,330	$ 41,618
Stock based compensation	2,596	43	5,776	2,227
Corporate and professional fees	6,408	6,730	14,915	23,473
General office	7,310	8,998	18,817	29,846
Capitalized expenditures	(573)	(496)	(1,521)	(1,531)
Other	3,971	3,035	8,317	12,785
	35,206	29,018	79,634	108,418
Change in fair value of contingent consideration (note 16)	(10,865)	-	(15,042)	-
	$ 24,341	**$ 29,018**	**$ 64,592**	**$ 108,418**

27. INCOME TAXES

The Corporation has assessed the appropriateness of continuing to recognize the benefit of deferred income tax assets related to its investment in Dundee Energy, in light of Dundee Energy's filing of a Notice of Intention to Make a Proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) (note 18), and it has determined that the probability of Dundee Energy utilizing its deferred income tax assets does not meet the criteria of "more-likely-than-not". Accordingly, during the nine months ended September 30, 2017, Dundee Energy derecognized its deferred income tax asset balance, reducing the amount to $nil, and incurring a deferred income tax expense amount of $18,010,000.

As a result, during the three and nine months ended September 30, 2017, the Corporation recognized an income tax expense amount on its earnings from operations of $21,535,000 and $29,134,000 respectively (three and nine months ended September 30, 2016 – recovery of $1,211,000 and expense of $10,745,000 respectively), the major components of which include the following items:

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Current income tax (expense) recovery	$ (1,442)	$ 550	$ (2,977)	$ 171
Deferred income tax (expense) recovery	(20,093)	661	(26,157)	(10,916)
Total income tax (expense) recovery	**$ (21,535)**	**$ 1,211**	**$ (29,134)**	**$ (10,745)**

The income tax (expense) recovery amount on pre-tax earnings (loss) from operations differs from the income tax (expense) recovery amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26% (nine months ended September 30, 2016 – 26%), as a result of the following items:

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
(Earnings) loss before tax at statutory rate of 26% (2016 – 26%)	$ (6,042)	$ 5,700	$ (8,495)	$ 6,214
Effect on taxes of:				
Non-deductible expenses	(2,430)	(1,134)	(4,368)	(8,164)
Non-taxable revenue	401	(133)	1,208	2,296
Net income tax not previously recognized	(152)	331	82	413
Earnings (loss) in tax exempt foreign jurisdiction	16,072	(375)	15,246	(1,275)
Change in unrecognized temporary differences	(29,463)	(3,531)	(33,193)	(9,698)
Other differences	79	353	386	(531)
Total income tax (expense) recovery	**$ (21,535)**	**$ 1,211**	**$ (29,134)**	**$ (10,745)**

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

As at	September 30, 2017	December 31, 2016
Deferred income tax assets		
Loss carry forwards	$ 55,802	$ 72,429
Capital and other assets	2,966	3,003
Non-deductible reserves	850	850
Accrued liabilities	4,563	4,846
Other	3,794	18,978
Total deferred income tax assets	67,975	100,106
Deferred income tax liabilities		
Investments including equity accounted investments	(31,932)	(31,381)
Other	(20,799)	(25,720)
Total deferred income tax liabilities	(52,731)	(57,101)
Net deferred income tax assets	**$ 15,244**	**$ 43,005**

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

At September 30, 2017, the Corporation had operating loss carry forwards of $550,512,000 (December 31, 2016 – $556,107,000). Operating loss carry forwards by year of expiry are summarized below:

Year of Expiry:		Recognized		Unrecognized		Total
2024 and subsequent years	$	211,679	$	321,509	$	533,188
Non-Canadian		-		17,324		17,324
	$	**211,679**	**$**	**338,833**	**$**	**550,512**

28. NET EARNINGS (LOSS) PER SHARE

	For the three months ended		For the nine months ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Net earnings (loss) attributable to owners of the parent	$ 11,438	$ (16,430)	$ 15,298	$ (35,160)
Less: Dividends on Preference Shares, series 2	(1,237)	(1,237)	(3,711)	(3,711)
Dividends on Preference Shares, series 3	(502)	(504)	(1,482)	(1,488)
	$ 9,699	$ (18,171)	$ 10,105	$ (40,359)
Weighted average number of shares outstanding during the period	58,795,820	58,650,557	58,781,303	58,649,495
Basic earnings (loss) per share	$ 0.16	$ (0.31)	$ 0.17	$ (0.69)
Effect of dilutive securities on weighted average number of shares outstanding during the period	4,454,367	n/a	3,851,504	n/a
Diluted earnings (loss) per share	$ 0.15	$ (0.31)	$ 0.16	$ (0.69)

29. SUPPLEMENTAL CASH FLOW INFORMATION

Items Not Affecting Cash and Other Adjustments

For the nine months ended	September 30, 2017	September 30, 2016
Depreciation and depletion	$ 59,322	$ 44,191
Net gain from investments	(48,020)	(111,276)
Share of (earnings) loss from equity accounted investments	(5,797)	2,511
Fair value changes in livestock	(8,381)	950
Deferred income taxes	26,157	10,916
Stock based compensation	5,776	2,227
Gain on business dispositions (note 4)	(64,430)	(1,214)
Other	(4,553)	22,547
	$ (39,926)	**$ (29,148)**

Changes in Non-Cash Working Capital Items

For the nine months ended	September 30, 2017	September 30, 2016
Accounts receivable	$ 9,020	$ (2,297)
Accounts payable and accrued liabilities	(5,509)	11,418
Current income tax amounts	1,320	315
Brokerage securities owned and sold short, net	1,577	(12,739)
Client accounts receivable, net of client deposits and related liabilities	(22,452)	156,083
Agricultural inventory	47,388	22,008
	$ 31,344	**$ 174,788**

30. FINANCIAL INSTRUMENTS

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

		Fair Value as at September 30, 2017		
	Carrying Value as at September 30, 2017	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Recurring Measurements				
Financial Assets				
Investments				
Publicly traded securities	$ 194,535	$ 194,535	$ -	$ -
Private investments	134,293	-	-	134,293
Debt securities	34,402	8,018	-	26,384
Warrants and options	529	127	-	402
Brokerage securities owned				
Equities	10,226	9,029	1,197	-
Other	1,474	-	1,474	-
Financial Liabilities				
Derivative financial liabilities	(203)	-	(203)	-
Resource assets, royalty stream (note 13)	138,475	-	-	138,475
Livestock	34,179	-	34,179	-
Disclosure of Fair Value				
Publicly traded equity accounted investments	-	398	-	-
Preference Shares, series 5	88,306	85,709	-	-

A summary of changes in the fair value of level 3 financial assets during the nine months ended September 30, 2017, is as follows:

	Private Investments	Debt Securities	Warrants and Options	Royalty Stream (note 13)	Total
At December 31, 2016	$ 123,648	$ 42,405	$ 143	$ -	$ 166,196
For the nine months ended September 30, 2017					
New investments	10,237	201	-	136,124	146,562
Proceeds from sales of investments	(1,926)	(14,303)	(896)	-	(17,125)
Changes in market values	(2,281)	(163)	1,155	-	(1,289)
Transfer to level 1	(327)	(547)	-	-	(874)
Transfer from debt securities to private investments	201	(201)	-	-	-
Other transactions	4,741	(1,008)	-	2,351	6,084
At September 30, 2017	**$ 134,293**	**$ 26,384**	**$ 402**	**$ 138,475**	**$ 299,554**

Reasonably possible changes in the value of unobservable inputs for any of these individual investments would not significantly change the fair value of investments classified as level 3 in the fair value hierarchy. Other than as described above, there have been no other transfers between the fair value hierarchy levels during the nine months ended September 30, 2017.

A detailed description of the Corporation's financial assets and financial liabilities and its associated risk management in respect thereof are provided in note 31 to the 2016 Audited Consolidated Financial Statements. There have been no significant changes in the business and economic circumstances and the related financial risks that affect the Corporation's valuation of financial assets and financial liabilities since December 31, 2016.

31. CAPITAL MANAGEMENT

The Corporation defines the capital that it manages as the aggregate of its shareholders' equity and interest bearing debt, including certain outstanding preference shares. The following table summarizes the carrying value of the Corporation's capital as at September 30, 2017 and December 31, 2016.

As at		September 30, 2017		December 31, 2016
Shareholders' equity	$	814,975	$	864,423
Corporate debt		149,321		200,993
Preference Shares, series 5		88,306		87,436
	$	**1,052,602**	**$**	**1,152,852**

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

Certain of the Corporation's subsidiaries are subject to regulatory capital requirements. Compliance with these requirements requires that the subsidiaries maintain sufficient cash and other liquid assets on hand to maintain regulatory capital requirements, rather than using these liquid assets in connection with its business or otherwise. As at September 30, 2017 and December 31, 2016, these subsidiaries complied with all regulatory capital requirements.

Certain of the Corporation's subsidiaries, including those in the early stages of development, may have significant liquidity risk without the continued financial support of Dundee Corporation.

32. COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

A description of the Corporation's commitments, contingencies and off-balance sheet arrangements is provided in note 33 to the Corporation's 2016 Audited Consolidated Financial Statements.

Legal Contingencies

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

33. RELATED PARTY TRANSACTIONS

There have been no significant changes in the nature and scope of related party transactions to those described in note 34 to the Corporation's 2016 Audited Consolidated Financial Statements.

34. SEGMENTED INFORMATION

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

Business Entity	*Business Activity*
Corporate and Other Portfolio Holdings	Investments in public and private equity and debt securities in diversified industry segments
Goodman & Company, Investment Counsel Inc.	100%-owned private subsidiary registered as a portfolio manager and exempt market dealer across Canada and an investment fund manager in Ontario, Quebec and Newfoundland. This segment also includes the activities of Dundee Global Investment Management Inc., the parent of Goodman & Company, Investment Counsel Inc.
Dundee Securities Ltd.	100%-owned private subsidiary and, historically, a full-service Canadian investment dealer registered with the Investment Industry Regulatory Organization of Canada
Dundee Energy Limited	58%-owned public, non-listed subsidiary in the oil and gas industry with operations in southern Ontario
United Hydrocarbon International Corp.	85%-owned private subsidiary engaged in oil and gas exploration, development and production activities in the Republic of Chad
Dundee Sustainable Technologies Inc.	66%-owned publicly listed subsidiary developing patented sustainable precious and base metals extraction processes
Eurogas International Inc.	54%-owned publicly listed subsidiary engaged in oil and gas exploration
Blue Goose Capital Corp.	90%-owned private subsidiary operating in organic and natural protein processing and production
AgriMarine Holdings Inc.	100%-owned private aquaculture company focused on fish farming and sustainable aquaculture technologies
Dundee 360 Real Estate Corporation	100%-owned private subsidiary engaged in development and management of international hotel, resort, residential and commercial real estate projects

Segmented Operations for the Nine Months Ended September 30, 2017

	Revenues	Cost of Sales	Other Amounts in Earnings (Loss)	Net Earnings (Loss)
Corporate and other portfolio holdings	$ 14,947	$ -	$ 28,687	$ 43,634
Asset management and capital markets				
Goodman & Company, Investment Counsel Inc.	1,925	-	(6,822)	(4,897)
Dundee Securities Ltd.	7,477	(2,367)	(10,186)	(5,076)
Resource industry				
Dundee Energy Limited	17,332	(8,280)	(30,872)	(21,820)
United Hydrocarbon International Corp.	-	-	43,437	43,437
Dundee Sustainable Technologies Inc.	1,618	(1,730)	(2,531)	(2,643)
Eurogas International Inc.	-	-	(457)	(457)
Agriculture industry				
Blue Goose Capital Corp.	92,232	(93,435)	(15,589)	(16,792)
AgriMarine Holdings Inc.	7,578	(8,789)	(2,359)	(3,570)
Real estate industry				
Dundee 360 Real Estate Corporation	86,109	(67,795)	(18,079)	235
Intersegment	(1,336)	-	1,336	-
	$ 227,882	$ (182,396)	$ (13,435)	32,051
Income taxes				(29,134)
Non-controlling interest				12,381
NET EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				**$ 15,298**

Segmented Operations for the Nine Months Ended September 30, 2016

	Revenues	Cost of Sales	Other Amounts in (Loss) Earnings	Net (Loss) Earnings
Corporate and other portfolio holdings	$ 2,165	$ -	$ 74,790	$ 76,955
Asset management and capital markets				
Goodman & Company, Investment Counsel Inc.	2,087	-	(10,581)	(8,494)
Dundee Securities Ltd.	46,492	(21,218)	(28,099)	(2,825)
Resource industry				
Dundee Energy Limited	12,583	(9,937)	(19,955)	(17,309)
United Hydrocarbon International Corp.	(13)	-	(9,640)	(9,653)
Dundee Sustainable Technologies Inc.	1,165	(599)	(3,960)	(3,394)
Eurogas International Inc.	-	-	(483)	(483)
Agriculture industry				
Blue Goose Capital Corp.	44,612	(53,479)	(9,491)	(18,358)
AgriMarine Holdings Inc.	7,772	(8,431)	(4,148)	(4,807)
Real estate industry				
Dundee 360 Real Estate Corporation	74,890	(57,060)	(52,909)	(35,079)
Intersegment	(309)	-	309	-
	$ 191,444	$ (150,724)	$ (64,167)	(23,447)
Income taxes				(10,745)
Non-controlling interest				(968)
NET LOSS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				**$ (35,160)**

Segmented Operations for the Three Months Ended September 30, 2017

	Revenues	Cost of Sales	Other Amounts in Earnings (Loss)	Net Earnings (Loss)
Corporate and other portfolio holdings	$ 7,188	$ -	$ 13,954	$ 21,142
Asset management and capital markets				
Goodman & Company, Investment Counsel Inc.	618	-	(3,060)	(2,442)
Dundee Securities Ltd.	319	(1,074)	(3,891)	(4,646)
Resource industry				
Dundee Energy Limited	5,413	(2,935)	(23,493)	(21,015)
United Hydrocarbon International Corp.	-	-	50,127	50,127
Dundee Sustainable Technologies Inc.	745	(899)	(722)	(876)
Eurogas International Inc.	-	-	(120)	(120)
Agriculture industry				
Blue Goose Capital Corp.	30,639	(31,179)	(18,014)	(18,554)
AgriMarine Holdings Inc.	2,205	(2,274)	(803)	(872)
Real estate industry				
Dundee 360 Real Estate Corporation	33,420	(26,889)	(6,482)	49
Intersegment	(644)	-	644	-
	$ 79,903	$ (65,250)	$ 8,140	22,793
Income taxes				(21,535)
Non-controlling interest				10,180
NET EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				**$ 11,438**

Segmented Operations for the Three Months Ended September 30, 2016

	Revenues	Cost of Sales	Other Amounts in Loss	Net Loss
Corporate and other portfolio holdings	$ 383	$ -	$ (4,191)	$ (3,808)
Asset management and capital markets				
Goodman & Company, Investment Counsel Inc.	658	-	(2,889)	(2,231)
Dundee Securities Ltd.	13,037	(6,810)	(6,687)	(460)
Resource industry				
Dundee Energy Limited	4,750	(3,283)	(4,558)	(3,091)
United Hydrocarbon International Corp.	1	-	(2,143)	(2,142)
Dundee Sustainable Technologies Inc.	611	(305)	(1,063)	(757)
Eurogas International Inc.	-	-	(143)	(143)
Agriculture industry				
Blue Goose Capital Corp.	12,535	(14,946)	(4,735)	(7,146)
AgriMarine Holdings Inc.	2,466	(2,118)	(1,020)	(672)
Real estate industry				
Dundee 360 Real Estate Corporation	29,474	(23,516)	(7,014)	(1,056)
Intersegment	(91)	-	91	-
	$ 63,824	$ (50,978)	$ (34,352)	(21,506)
Income taxes				1,211
Non-controlling interest				3,865
NET LOSS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				**$ (16,430)**

Segmented Net Assets as at September 30, 2017

	ASSETS					LIABILITIES		
	Cash	Investments	Deferred Income Taxes	Other Assets	Total	Corporate Debt	Other Liabilities	Total
Corporate and other portfolio holdings	$ 53,041	$ 526,048	$ 13,706	$ 22,820	$ 615,615	$ -	$ (110,088)	$ (110,088)
Asset management and capital markets								
Goodman & Company, Investment Counsel Inc.	1,891	1,000	-	1,152	4,043	-	(154)	(154)
Dundee Securities Ltd.	15,368	-	-	23,870	39,238	-	(9,337)	(9,337)
Resource industry								
Dundee Energy Limited	3,247	-	-	111,150	114,397	(57,400)	(61,032)	(118,432)
United Hydrocarbon International Corp.	14,173	-	-	186,209	200,382	-	(2,664)	(2,664)
Dundee Sustainable Technologies Inc.	95	-	-	7,808	7,903	-	(5,722)	(5,722)
Eurogas International Inc.	-	-	-	286	286	-	(610)	(610)
Agriculture industry								
Blue Goose Capital Corp.	2,227	-	2,954	161,986	167,167	(91,815)	(13,114)	(104,929)
AgriMarine Holdings Inc.	71	-	-	19,360	19,431	-	(3,088)	(3,088)
Real estate industry								
Dundee 360 Real Estate Corporation	5,102	-	(1,416)	51,952	55,638	(106)	(28,834)	(28,940)
Total	**$ 95,215**	**$ 527,048**	**$ 15,244**	**$ 586,593**	**$ 1,224,100**	**$ (149,321)**	**$ (234,643)**	**$ (383,964)**

Segmented Net Assets as at December 31, 2016

	ASSETS					LIABILITIES		
	Cash	Investments	Deferred Income Taxes	Other Assets	Total	Corporate Debt	Other Liabilities	Total
Corporate and other portfolio holdings	$ 1,620	$ 582,757	$ 24,690	$ 30,296	$ 639,363	$ (54,574)	$ (111,013)	$ (165,587)
Asset management and capital markets								
Goodman & Company, Investment Counsel Inc.	847	2,000	-	1,010	3,857	-	(1,684)	(1,684)
Dundee Securities Ltd.	55,387	-	-	34,164	89,551	-	(43,204)	(43,204)
Resource industry								
Dundee Energy Limited	1,505	-	18,010	136,525	156,040	(57,400)	(64,007)	(121,407)
United Hydrocarbon International Corp.	5,693	-	-	235,296	240,989	-	(8,173)	(8,173)
Dundee Sustainable Technologies Inc.	526	-	-	7,982	8,508	-	(4,584)	(4,584)
Eurogas International Inc.	-	-	-	286	286	-	(370)	(370)
Agriculture industry								
Blue Goose Capital Corp.	5,973	-	1,899	182,864	190,736	(88,880)	(25,074)	(113,954)
AgriMarine Holdings Inc.	275	-	-	21,534	21,809	-	(2,872)	(2,872)
Real estate industry								
Dundee 360 Real Estate Corporation	3,789	-	(1,594)	48,080	50,275	(139)	(25,587)	(25,726)
Total	**$ 75,615**	**$ 584,757**	**$ 43,005**	**$ 698,037**	**$ 1,401,414**	**$ (200,993)**	**$ (286,568)**	**$ (487,561)**