



## **DUNDEE CORPORATION ANNOUNCES SALE OF DUNDEE PRECIOUS METALS SHARES AND WARRANTS FOR UP TO \$207 MILLION**

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### **FOR IMMEDIATE RELEASE**

**Toronto, May 7, 2020 – Dundee Corporation** (TSX: DC.A) (the “Corporation” or “Dundee”) is pleased to announce that it has entered into an agreement with RBC Dominion Securities Inc. and Stifel GMP (together, the “Dealers”) to sell 20,000,000 units (the “Units”) at a price of \$6.35 per Unit to qualified purchasers, for gross proceeds to Dundee of \$127,000,000 (the “Sale Transaction”). Each Unit consists of one (1) common share of Dundee Precious Metals Inc. (“Dundee Precious”) owned by Dundee (a “Unit Share”) and one-half (0.5) of a common share purchase warrant (each whole warrant a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one (1) additional common share of Dundee Precious owned by Dundee (a “Warrant Share”) at an exercise price of \$8.00 for a term of 12 months from the date of issue. In the event that all Warrants are exercised, the total gross proceeds to Dundee would be \$207,000,000.

In Canada, the sale of the Unit Shares will be made through block trades on May 13, 2020 and the sale of the Warrants will be made on a private placement basis. In the United States, the sale of both the Unit Shares and the Warrants will be made on a private placement basis. The Warrants will be subject to a hold period and will only be tradeable in accordance with applicable securities laws. The Warrant Shares will not be subject to a hold period under applicable Canadian securities laws.

The Sale Transaction is scheduled to close on or about May 13, 2020, or such other date as agreed among Dundee and the Dealers.

“I am very proud of what we have accomplished since 2003 at Dundee Precious. Today’s transaction provides the Corporation with an immediate source of capital for its business, and at the same time allows Dundee Precious to further broaden its shareholder base to achieve its true value going forward as it continues its market re-rating in a rising gold price environment,” said Jonathan Goodman, Chairman and CEO, Dundee Corporation. “Dundee remains extremely supportive of the ability of the current management team of Dundee Precious to deliver significant upside and I look forward to continuing in my role as Chair of the Dundee Precious board of directors. Dundee will remain a shareholder of Dundee Precious and will continue to benefit from its growth.”

The securities to be issued and sold under the Sale Transaction have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States.

Upon closing of the Sale Transaction, Dundee will own 15,881,552 common shares of Dundee Precious. Dundee has agreed with the Dealers that its remaining Shares of Dundee Precious will be subject to a 90-day lock-up period, subject to customary exceptions. Proceeds from the sale of Units will be available to Dundee immediately and will be used to enhance the Corporation's liquidity, to optimize the Company's capital structure where possible and for general corporate purposes.

### **Early Warning Disclosure**

Upon closing of the Sale Transaction, Dundee will have sold 20,000,000 common shares of Dundee Precious (the "Dundee Precious Shares") as a component of the Units under the Sale Transaction. The sale of Units will provide aggregate gross proceeds to Dundee of \$127,000,000. The sales of the Units will be made by block trade to the Dealers through Dundee's wholly owned subsidiary, Dundee Resources Limited.

Prior to the Sale Transaction, Dundee held 35,881,552 of Dundee Precious Shares, representing an approximate 19.83% interest in Dundee Precious. Upon closing of the Sale Transaction, Dundee will own 15,881,552 Dundee Precious Shares representing an approximate 8.78% interest in Dundee Precious.

In the event that the Warrants forming part of the Units are exercised in full, Dundee will dispose of an additional 10,000,000 Dundee Precious Shares at a value of \$8.00 per Dundee Precious Share (being the exercise price of the Warrants), for additional gross proceeds to Dundee of \$80,000,000. This further disposition will result in an additional decrease in Dundee's shareholdings in Dundee Precious, and Dundee would then hold 5,881,552 Dundee Precious Shares, representing approximately 3.25% of the currently issued and outstanding Dundee Precious Shares.

The disposition of Dundee Precious Shares provides an immediate source of capital for the business of Dundee. While Dundee currently has no immediate plans or intentions with respect to Dundee Precious Shares, depending on market conditions, general economic and industry conditions, trading prices of Dundee Precious Shares, Dundee Precious' business, financial condition and prospects and/or other relevant factors including Dundee's financial position and liquidity, Dundee may develop such plans or intentions in the future and, at such time, may from time to time acquire additional securities, dispose of some or all of the existing or additional securities or may continue to hold securities of Dundee Precious.

Dundee will file an early warning report under National Instrument 62-103 in connection with the closing of the Sale Transaction. As Dundee will have decreased its security holdings in Dundee Precious below 10%, following the above-noted early warning report filing, it will no longer be required to report under the early warning requirements of National Instrument 62-104 – Take-Over Bids and Issuer Bids, unless its security holdings in Dundee Precious increase to 10% or more in the future.



#### **ABOUT DUNDEE CORPORATION**

Dundee Corporation is a public Canadian independent holding company, listed on the Toronto Stock Exchange under the symbol “DC.A”. Through its operating subsidiaries, Dundee Corporation is engaged in diverse business activities in the areas of investment advisory, corporate finance, energy, resources, agriculture, real estate and infrastructure. Dundee 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.

#### **FORWARD LOOKING STATEMENTS**

This press release contains forward-looking information with respect to future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. The reader is referred to the documents which the company files from time to time with applicable securities and regulatory authorities.

#### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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