



DUNDEE CORPORATION ANNOUNCES FIRST QUARTER 2020 FINANCIAL RESULTS

FOR IMMEDIATE RELEASE

Toronto, May 12, 2020 – Dundee Corporation (TSX: DC.A) (the “Corporation” or “Dundee”) today announced its financial results for the three months ended March 31, 2020.

During the first quarter of 2020, the Corporation recognized a net loss attributable to owners of the Corporation of \$166.4 million, or a loss of \$1.63 per share. This compares with earnings attributable to owners of the Corporation of \$14.9 million in the same period of 2019, representing earnings of \$0.21 per share, before the effect of any dilutive securities.

The Corporation’s 84% owned subsidiary, United Hydrocarbon International Corp. (“UHIC”), reported a pre-tax loss of \$117.5 million (2019 – earnings of \$6.0 million) for the first three months of 2020, mostly relating to the depreciation in the fair value change of the royalty interest and its associated contingent bonus payments.

Operating results during the first quarter of 2020 also reflect a \$61.1 million market depreciation (2019 – market appreciation of \$30.1 million) in certain of the Corporation’s investments that are carried in the consolidated financial statements at FVTPL.

“During the first quarter we took steps to shield our operations from the impact of COVID-19 but our portfolio was not immune from the unprecedented global demand shock and steep reduction in oil prices. As a result, we took a significant write-down in our investment in UHIC,” said Jonathan Goodman, Chairman and CEO.

“Subsequent to quarter end, we took steps to crystalize the significant increase in value realized by Dundee Precious Metals Inc. (“Dundee Precious”) in the last 18 months. By monetizing a large portion of our holdings in Dundee Precious, we generated cash to improve our liquidity and ongoing efforts to streamline our capital structure, while providing us with capital to support our strategic focus on the junior mining sector,” added Mr. Goodman.

COVID-19 UPDATE

One of the Corporation’s top priorities during the COVID-19 pandemic is the health and well-being of its employees. To that end, the Corporation implemented its business continuity plan in early March in order to maintain business operations during this tumultuous period in both the stock markets and greater society. As a result, all head office employees continue working from home and are expected to do so for the foreseeable future, limiting their personal risks and helping ensure their safety. The Corporation is monitoring information from local health authorities and all levels of government on a daily basis.

“We would like to thank all employees for their efforts which have led to the effective implementation of our business continuity plan, allowing for operations to continue uninterrupted during this challenging period,” said Robert Sellars, Executive Vice President and Chief Financial Officer.

SALE OF DUNDEE PRECIOUS METALS SHARES AND WARRANTS

Subsequent to the quarter end, on May 7, 2020, the Corporation announced that it had 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. The size of this secondary offering being made pursuant to an agreement with the Dealers was subsequently upsized to sell 23,900,000 units at a price of \$6.35 per Unit to qualified purchasers, for gross proceeds to Dundee of \$151,765,000 (the “Sale Transaction”).

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 11,981,552 Dundee Precious Shares representing an approximate 6.62% 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 11,950,000 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 \$95,600,000. This further disposition will result in an additional decrease in Dundee’s shareholdings in Dundee Precious, and Dundee would then hold 31,552 Dundee Precious Shares, representing less than 1% of the currently issued and outstanding Dundee Precious Shares.

FINANCIAL RESULTS

- At March 31, 2020, the estimated market value of the Corporation’s portfolio of investments carried at FVTPL was \$244.8 million, a decrease of \$61.9 million or 20%, from an estimated market value of these investments of \$306.7 million at December 31, 2019. The extreme volatility in the stock market during 2020 was primarily due to the COVID-19 pandemic in conjunction with the collapse of the OPEC+ alliance and its decision to increase oil production.
- Consolidated revenues were \$6.6 million during the first quarter of 2020, compared with revenues of \$6.1 million in the same quarter of the prior year.
- At the head office level, the Corporation held cash of \$13.1 million and a portfolio of publicly traded securities with a total value of \$176.4 million at the end of March 2020.

OPERATIONAL REVIEW

- During the first quarter of 2019, Dundee Precious Metals produced 72,963 ounces of gold in concentrate, with Ada Tepe delivering its highest quarterly production to date and Chelopech continuing its track record of consistent performance. Copper production was 9.4 million pounds. All-in sustaining cost per ounce of gold produced was US\$593 and a cash cost per tonne of complex concentrate smelted was US\$357. The Tsumeb smelter achieved near-record performance with total complex concentrate smelted of 65,010 tonnes during the first quarter of 2020, its second highest quarterly production on record. Free cash flow in the first quarter of 2020 was a record US\$49.2 million.
Dundee Precious Metals remains on track to meet previously issued guidance for 2020 at each of its operations. Its board of directors also declared a second quarter dividend of US\$0.02 per common share payable to July 15, 2020 to shareholders of record on June 30, 2020.
- Goodman & Company, Investment Counsel Inc. (“GCIC”) AUM decreased from \$45.5 million at the end of December 2019 to \$36.8 million at the end of March 2020. During the first three months of 2020, GCIC raised capital of \$15.4 million from launching a new tax-sheltered limited partnership, *CMP 2020 Resource Limited Partnership*. During the three months ended March 31, 2020, this segment reported a pre-tax operating loss of \$0.9 million, compared with a \$0.5 million pre-tax loss incurred in the same period of the prior year.
- During the first quarter of 2020, UHIC reported a pre-tax loss of \$117.5 million, including \$117.3 million loss on remeasurement of the fair value of its royalty interest and associated contingent bonus payments. With the COVID-19 pandemic in early 2020 in conjunction with the collapse of the OPEC+ alliance, UHIC increased the discount rates and lowered the success probabilities along with the long-term oil price forecasts in determining the fair value of its royalty interest and associated contingent consideration. UHIC continues to monitor the state of the global oil markets and the effect of possible operational developments at Delonex Energy Limited. If the current low Brent crude oil price persists, it could have a material adverse effect on the carrying value of UHIC’s royalty interest and associated contingent consideration.
- Dundee Sustainable Technologies Inc. (“Dundee Technologies”) incurred a pre-tax operating loss of \$1.2 million (2019 – \$0.8 million) during the first three months of 2020. Due to the outbreak of COVID-19, Dundee Technologies’ Thetford site has been temporarily closed as a result of measures taken by the Quebec provincial government on March 23, 2020. Dundee Technologies continues to expand the provision of technical services in the mining industry to evaluate processing alternatives using its state of the art metallurgy plant and skilled technical team. Dundee Technologies expects the primary driver in the coming years will be the GlassLock Process™, a patented process for the sequestration and stabilization of the arsenic often associated with copper, gold, silver or polymetallic deposits.
- Blue Goose Capital Corp. (“Blue Goose”) incurred a pre-tax loss of \$2.7 million during the first quarter of 2020 (2019 – \$4.1 million). The decrease in net loss was attributable to lower production costs in the beef division in the current quarter compared to the same period of the prior year. In addition, the pre-tax net loss for the prior year included an operating loss of \$0.9 million incurred by its fish operation which Blue Goose exited in December 2019.
- AgriMarine Holdings Inc. (“AgriMarine”) continues to rationalize its cost structure with the goal of achieving profitability for its fish farming operation and sourcing third-party revenue for its technology division, while it continues to validate the scientific and commercial viability of its closed-containment tank technology. During the first three months of 2020, AgriMarine reported a pre-tax operating loss of \$0.9 million (2019 – \$1.6 million).

SHAREHOLDERS' EQUITY ON A PER SHARE BASIS

	Carrying Value as at 31-Mar-20
Operating subsidiaries	\$ 110,432
Equity accounted investments	28,119
Investments carried at fair value through profit or loss	244,774
Other net corporate account balances	23,634
Total shareholders' equity	406,959
Less: Shareholders' equity attributable to holders of:	
Preference Shares, series 2	(75,026)
Preference Shares, series 3	(50,473)
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Shareholders' equity attributable to holders of Class A Subordinate Voting Shares and Class B Shares of the Corporation	\$ 281,460
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<i>Number of Class A Subordinate Voting Shares and Class B Shares of the Corporation issued and outstanding</i>	
Class A Subordinate Voting Shares	99,977,865
Class B Shares	3,114,650
	<hr/> 103,092,515
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Shareholders' Equity on a Per Share Basis	\$ 2.73

FIRST QUARTER 2020 CONFERENCE CALL AND WEBCAST DETAILS

The Corporation's unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2020, along with the accompanying management's discussion and analysis have been filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") and may be viewed by interested parties under the Corporation's profile at www.sedar.com or the Corporation's website at www.dundeecorp.com.

The Corporation will host a conference call and webcast to discuss its first quarter 2020 financial results. The details for the event are as follows:

Date:	Wednesday, May 13, 2020
Time:	10 a.m. EDT
Webcast:	www.dundeecorp.com
Live Call:	1.888.231.8191 or 1.647.427.7450

The conference call will be archived for replay until Wednesday, May 20, 2020 at midnight. To access the archived conference call, please dial 1.855.859.2056 or 1.416.849.0833 and enter the encore code 5970928. An archive of the audio webcast will also be posted to Dundee Corporation's website.

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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 may contain forward-looking information within the meaning of applicable securities legislation, which reflects Dundee Corporation’s current expectations regarding future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dundee Corporation’s control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, the factors discussed under “Risk Factors” in the Annual Information Form of Dundee Corporation and subsequent filings made with securities commissions in Canada. Dundee Corporation does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

FOR FURTHER INFORMATION PLEASE CONTACT:

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