



DUNDEE
CORPORATION

ANNUAL INFORMATION FORM

MARCH 20, 2014

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EXPLANATORY NOTES

Unless otherwise indicated, the information appearing in this annual information form (“AIF”) is stated as of December 31, 2013 and all amounts are in Canadian dollars.

FORWARD-LOOKING INFORMATION

Public communications of Dundee Corporation (the “**Company**”) may include written or oral forward-looking statements. Statements of this type are included in this AIF, and may be included in other filings with Canadian and United States securities regulators, stock exchanges or in other communications. All such statements are made pursuant to the “safe harbour” provisions of applicable securities laws. Forward-looking statements may include, but are not limited to statements about anticipated future events or results including comments with respect to the Company’s objectives and priorities for 2014 and beyond, strategies or further actions with respect to the Company, its products and services, business operations, financial performance and condition. Forward-looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions or include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” or similar expressions concerning matters that are not historical facts. Such statements are based on current expectations of management of the Company and inherently involve numerous risks and uncertainties, known and unknown, including economic factors and those affecting the financial services industry generally. The forward-looking information contained in this AIF is presented for the purpose of assisting the Company’s shareholders in understanding the business and strategic priorities and objectives as at the periods indicated and may not be appropriate for other purposes.

A number of risks, uncertainties and other factors may cause actual results to differ materially from the forward-looking statements contained in this AIF, including, among others, those referenced in the Risk Factors section of this AIF starting on page 37. These risks include, but are not limited to: general economic and market conditions; the Company’s ability to execute strategic plans and meet financial obligations; the performance of the Company’s principal subsidiaries; the Company’s ability to raise additional capital; the Company’s ability to create, attract and retain assets under management and assets under administration; risks relating to trading activities and investments; competition faced by the Company; regulation of the Company’s businesses; risks associated with the Company’s real estate and resources businesses and the Company’s investment holdings in general, including risks associated with oil and gas and mining exploration, development and processing activities, environmental risks, inflation, changes in interest rates, commodity prices and other financial exposures; the availability and adequacy of insurance coverage for the Company and its subsidiaries; potential liability of the Company and its subsidiaries under securities laws and for violations of investor suitability requirements; maintenance of minimum regulatory capital requirements for certain of the Company’s subsidiaries and the ability of the Company and its subsidiaries to attract and retain key personnel. The preceding list is not exhaustive of all possible risk factors that may influence actual results, and are identified based upon information available as of March 20, 2014.

Forward-looking statements contained in this AIF are not guarantees of future performance and actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Company. Prospective investors are cautioned to consider these and other factors carefully when making decisions with respect to the Company and not place undue reliance on forward-looking statements. Circumstances affecting the Company may change rapidly. Except as may be required by applicable law, the Company does not undertake any obligation to update publicly or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

THE COMPANY

GENERAL

Dundee Corporation (the “**Company**” or “**Dundee**”) is a Canadian independent publicly traded holding company listed on the Toronto Stock Exchange (“**TSX**”) under the symbol “DC.A”.

Through its operating subsidiaries, the Company is engaged in diverse business activities in the areas of its core competencies, including real estate and infrastructure, energy, resources and agriculture.

Asset management activities are carried out by Goodman & Company, Investment Counsel Inc., formerly Goodman Investment Counsel Inc. (“**GCIC**”). GCIC is the asset manager of the CMP, Canada Dominion Resources flow-through limited partnerships as well as Goodman Gold Trust (formerly CMP Gold Trust), Goodman Bluespring Fund and Goodman Eclipse LP. GCIC also provides sub-advisory services to DMP Resource Class, a Dynamic Funds mutual fund

Dundee’s current real estate operating activity is conducted through its 29% interest in DREAM Unlimited Corp. (“**DREAM**”) (TSX:DRM), along with interests in several publicly listed real estate investment trusts and 360 VOX Corporation.

Dundee’s capital markets and personal investment advisory services are carried out through the “Dundee Capital Markets” and “Dundee Goodman Private Wealth” divisions of its wholly-owned subsidiary, Dundee Securities Ltd. (“**Dundee Securities**” or “**DSL**”).

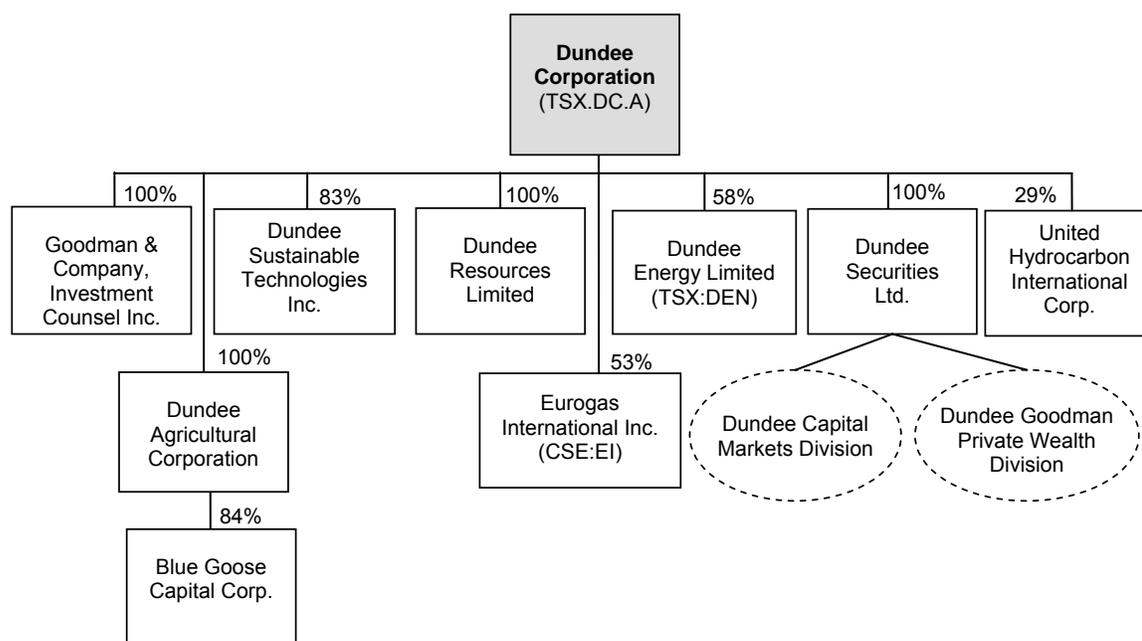
Dundee also owns and manages direct investments in its core focus areas and other select investments, through ownership, directly and indirectly, of both publicly listed and private companies.

The registered and head office of the Company is located at 1 Adelaide Street East, 21st Floor, Toronto, Ontario, M5C 2V9. The Company is listed on the TSX under the symbols (TSX – DC.A, DC.PR.B DC.PR.C, and DC.DB). As of December 31, 2013, the Company had 62¹ employees.

¹ Including employees of the Company’s subsidiaries GCIC and Dundee Resources Limited, but excluding employees of Dundee Securities which are separately disclosed herein.

CORPORATE STRUCTURE

The following simplified corporate chart sets out certain material subsidiaries of Dundee as of December 31, 2013 that are referenced in this AIF. The voting interests of Dundee in such subsidiaries reflect both the direct and indirect voting interests of the Company as of December 31, 2013.



INCORPORATION AND ORGANIZATION

The Company was incorporated under the laws of the Province of Ontario by articles of incorporation effective November 2, 1984. The Company changed its name to Dundee Bancorp Inc. by articles of amendment effective July 26, 1991 and changed its name to its present form by articles of amendment effective December 14, 2004. The Company's current share capital structure was created by articles of amendment effective October 10, 1991, October 24, 1991, October 29, 1991, March 17, 1993 and June 22, 2006. The stated capital of the Company was reduced by articles of amendment effective August 4, 1992. The Company was inactive prior to October 31, 1991, at which time it became a public company pursuant to articles of arrangement effective October 30, 1991. The articles of amendment dated June 21, 2007 subdivided the Class A Subordinate Voting Shares (the "**Subordinate Voting Shares**") and the Class B Common Shares (the "**Common Shares**") of the Company on a 3-for-1 basis, effective as of the close of business on July 6, 2007. On September 14, 2009, Articles of Amendment were filed authorizing a fifth series and sixth series of First Preference Shares, designated as first preference shares, series 2 and first preference shares, series 3, respectively. On January 1, 2010, in connection with an internal reorganization, Dundee amalgamated with its subsidiaries, 1255895 Ontario Limited, 1175885 Ontario Limited, DCC Equities Limited and Dundee Global Resource GP Inc. On January 1, 2011, in connection with an internal reorganization, Dundee amalgamated with its subsidiaries, 3031831 Ontario Limited and Dundee Capital Corporation.

On May 30, 2013, in connection with the arrangement with Dundee Realty Corporation, the Corporation filed Restated Articles of Incorporation. See "*The Company – Business Highlights – May 2013*" and "*Description of Share Capital*" for further information.

INTER-CORPORATE RELATIONSHIPS

Principal Subsidiaries of the Company

The principal subsidiaries of the Company, the corresponding jurisdictions of incorporation and the Company's percentage interest in such subsidiaries as of December 31, 2013 are set forth in the table below:

Name	Percentage Voting Interest held Directly or Indirectly by the Company	Jurisdiction of Incorporation / Formation
Dundee Securities Ltd.	100%	Ontario
Dundee Energy Limited	58%	Canada
Blue Goose Capital Corp.	84%	Canada

BUSINESS HIGHLIGHTS

The following is a summary of key developments in the Company's business.

Subsequent to year end, 2013

- CMP 2014 Resource Limited Partnership, a flow-through limited partnership managed by the Company's wholly owned subsidiary, Goodman & Company, Investment Counsel Inc., formerly Goodman Investment Counsel Inc. ("**GCIC**"), raised aggregate gross proceeds of approximately \$31.9 million.
- On December 16, 2013, Goodman Gold Trust (TSX:GGT) ("**GGT**"), an investment fund managed by GCIC, announced a distribution (the "**GGT Distribution**") of \$0.80 per trust unit ("**Trust Unit**") to be paid on January 28, 2014 to unitholders of record on December 31, 2013. GGT also announced that it had adopted a distribution reinvestment plan (the "**DRIP**"). The DRIP provides eligible unitholders of GGT with a convenient means to purchase additional Trust Units by reinvesting their cash distribution at the closing market price of the units on the business day preceding the distribution date without having to pay commissions, service charges or brokerage fees.

The Company, a holder of Trust Units, elected to reinvest its share of the GGT Distribution by participating in the DRIP and received, directly and indirectly, an additional 381,033 units of GGT pursuant to the DRIP. When aggregated with existing positions owned or controlled by the Company, as at January 28, 2014, it owned 2,195,707 Trust Units representing an approximate 25.2% interest in GGT. See "*Business of the Company – Subsidiaries – Goodman & Company, Investment Counsel Inc.*" and under GGT's profile at www.sedar.com for further information.

November 2013

- Through a series of transactions dating from July 2009, the Company acquired a significant interest in Dundee Sustainable Technologies Inc., formerly Nichromet Extraction Inc. ("**Dundee Sustainable**"). Dundee Sustainable has developed proprietary hydrometallurgical processes for the extraction of base and precious metals from ores, concentrates and tailings, which cannot be exploited with conventional processes because of internal refractoriness or environmental considerations. On November 25, 2013, Dundee Sustainable and Creso Exploration Inc. (CSE: CXT) ("**Creso**") announced a transaction pursuant to which it would enter into a three cornered amalgamation with Dundee Sustainable (the "**Dundee Sustainable Amalgamation**").

On February 28, 2014, shareholders of Creso approved the Dundee Sustainable Amalgamation. If the Dundee Sustainable Amalgamation is effected, the common shares of Creso will cease to trade on the Canadian Securities Exchange and the subordinate voting shares of Dundee Sustainable will be listed on the CSE, after which Dundee Sustainable will become a publicly listed reporting issuer. The Company will retain a controlling position in Dundee Sustainable through its interest in multiple voting common shares, holding an approximate 67.9% equity interest and an 86.3% voting interest in the resulting issuer. See “*Business of the Company – Subsidiaries – Dundee Sustainable Technologies Inc.*” and under Creso’s profile at www.sedar.com for further information.

October 2013

- Amounts borrowed pursuant to the Company’s existing \$225 million credit facility were fully repaid and the revolving term credit facility was extinguished.

Subsequent to December 31, 2013, the Company established a \$150 million revolving term credit facility with a Canadian Schedule I Chartered Bank. The facility matures on January 22, 2015. Borrowings under the credit facility (i) in Canadian dollars bear interest at a rate per annum equal to the bank’s prime lending rate for loans plus 0.20% or, at the Company’s option, at the prevailing bankers’ acceptance rate plus 1.20%; and (ii) in U.S. Dollars at the London Interbank Offered Rate plus 1.20% or at the bank’s commercial lending rate for US dollars plus 0.20%, at the Company’s option. Letters of credit are also available under the credit facility. Unused amounts available under the revolving term credit facility are subject to an annual standby fee of 0.24%.

Draws against the revolving term credit facility are contingent on, among other things, the maintenance of certain financial ratios relating to the fair value of certain of the Company’s investments and are subject to certain restrictions, including restrictions on the existence of other secured indebtedness and other covenants customary for credit facilities of this nature.

The credit facility is guaranteed by certain subsidiaries of the Company and is secured by security agreements granted by the Company, and by the guaranteeing subsidiaries of the Company.

September 2013

- The Company made a strategic investment in CNSX Markets Inc., operator of the Canadian Securities Exchange, formerly the Canadian National Stock Exchange (the “**CSE**”) and Pure Trading. In conjunction with the investment, Mr. Ned Goodman, President and CEO of the Company, joined the CSE Board of Directors as Deputy Chairman.
- The Company entered into certain agreements with 360 VOX Corporation (TSXV: VOX) (“**360 VOX**”) and with Paragon Development Ltd. (“**Paragon**”), a leading North American destination resort developer, for the design and development of a \$535 million, 675,000 square foot urban resort, adjacent to the B.C. Place Stadium in Vancouver, British Columbia. The development, which is expected to open at the end of 2016, will feature two resort hotels, a conference centre, restaurants and retail space and will house the relocated Edgewater Casino. The Company and Paragon will arrange financing for the project and will retain an equity interest. The management, construction and development of the resort complex will be contracted to 360 VOX. The agreements are subject to regulatory approval. 360 VOX further announced that it had entered into an urban design and master planning agreement with Beijing Chief Orient Investment Management Co. Ltd. pursuant to which 360 VOX will provide planning services and economic analysis for a new community development in Miyun County, Beijing.
- The Company’s wholly owned subsidiary, GCIC, was retained to manage two new investment funds, namely Goodman Eclipse LP and Goodman Bluespring Fund. See “*Business of the*

Company – Subsidiaries – Goodman & Company, Investment Counsel Inc.” for further information.

May 2013

- The Company completed a corporate restructuring, through a tax efficient plan of arrangement (the “**DREAM Arrangement**”) that effectively distributed the majority of its interest in Dundee Realty Corporation (“**Dundee Realty**”) to its shareholders, through the creation of DREAM Unlimited Corp. (TSX:DRM, DRM.PR.A) (“**DREAM**”). The scope of DREAM’s business includes residential land development, housing and condominium development, asset management for three TSX-listed funds, investments in Canadian renewable energy infrastructure and commercial property ownership. The Company retained a 29% interest in DREAM under the terms of the DREAM Arrangement, providing it with an effective 20% interest in Dundee Realty. Further information relating to the DREAM Arrangement can be found under the Company’s SEDAR profile at www.sedar.com.
- The shareholders of Dundee Precious approved a warrant incentive program to encourage early exercise of outstanding warrants. The Company elected to participate in the incentive program and accordingly, during the second quarter of 2013, the Company exercised warrants to acquire 3,561,000 common shares of Dundee Precious for cash consideration of \$10.1 million. In addition to the exercise of warrants, during the nine months ended September 30, 2013, the Company acquired 2,424,152 common shares of Dundee Precious in the open market for cash consideration of \$17.2 million. See “*Business of the Company – Equity Accounted Investments – Dundee Precious Metals Inc.*” for further information.

March – December 2013

- Through a series of transactions, the Company has acquired a significant interest in Blue Goose Capital Corp. (“**Blue Goose**”), a Canadian private company focused on the production, distribution and sale of organic and natural beef, chicken and fish. As at December 31, 2013, the Company held an 84% interest in Blue Goose. See “*Business of the Company – Subsidiaries – Blue Goose Capital Corp.*” for further information.

February 2013

- CMP 2013 Resource Limited Partnership, a flow-through limited partnership managed by the Company’s wholly owned subsidiary, GCIC, announced that it had raised aggregate gross proceeds of approximately \$65.6 million. See “*Business of the Company – Subsidiaries – Goodman & Company, Investment Counsel Inc.*” for further information.

January – December 2013

- Through a series of transactions, the Company has acquired a significant interest in United Hydrocarbon International Corporation (“**United Hydrocarbon**”), a private Canadian company engaged in oil and gas exploration, development and production activities in the Republic of Chad. As at December 31, 2013, the Company held 29.9 million shares of United Hydrocarbon, representing a 29% interest. The Company’s investment in the senior secured convertible debentures, and the granting to the Company of share purchase warrants, provides the Company with the ability to control the business activities of United Hydrocarbon. See “*Business of the Company – Subsidiaries – United HydroCarbon International Corporation*” for further information.

January 2013

In January 2013, the Company made a strategic investment in Union Group International Holdings Limited (“**Union Group**”) by acquiring a 25% interest in a rapidly growing Latin

American-focused company operating in the agriculture, power generation, minerals, infrastructure & logistics, real estate and oil & gas sectors. Subsequent to December 31, 2013, the Company increased its equity interest in Union Group to 40%. See “*Business of the Company – Direct Investments – Union Group International Holdings Limited*” for more information.

December 2012

360 VOX Corporation (“**360 VOX**”) announced its intent to acquire a group of real estate businesses in Canada known as Sotheby’s International Realty Canada, Sotheby’s International Realty Quebec, and Blueprint Global Marketing. This group of real estate businesses is involved in the listing, marketing and selling of condominiums, attached and detached homes, condominium developments and resort properties, both in the residential resale market and stand-alone projects. Pursuant to the terms of these arrangements, the sellers will receive as consideration up to \$4.1 million in cash and 54.3 million common shares of 360 VOX, potentially diluting the Company’s interest. See “*Business of the Company – Equity Accounted Investments – 360 VOX*” for further details regarding the Company’s interest in 360 VOX.

December 2011

- The Company completed its first investment in the agricultural sector by acquiring a controlling interest in Blue Goose, a Canadian private company focused on the production of clean protein. Clean protein is achieved through the raising of livestock in a purely organic environment, including feed from organically grown crops, and by employing the highest standards of animal husbandry and welfare, with no use of artificial growth hormones or antibiotics.
- The Company and Dundee Capital Markets Inc. (“**DCM**” or “**Dundee Capital Markets**”), the parent company of DSL, jointly announced that they had entered into an arrangement agreement under which the Company would acquire all of the outstanding common shares of DCM not already owned by the Company at a price of \$1.125 per share, by way of a court approved arrangement under the *Business Corporations Act* (Ontario) (the “**DCM Arrangement**”).

Shareholders of DCM approved the DCM Arrangement on January 31, 2012, and on February 1, 2012, the Company and DCM completed the DCM Arrangement. Pursuant to the DCM Arrangement, the Company acquired ownership and control of all of the issued and outstanding Common Shares that it did not already own. Total cash paid for completion of the transaction was \$88 million.

September 2011

- The Company launched a substantial issuer bid (the “**Issuer Bid**”) to purchase for cancellation up to 10 million of its Subordinate Voting Shares for \$23.75 per share. The Issuer Bid provided shareholders with an opportunity to realize on all or a part of their investment in the Company in quantities which might not otherwise be available in the market. The purchase price of \$23.75 per share represented a premium of approximately 15% over the September 9, 2011 closing price of the Subordinate Voting Shares on the TSX, the last day the Subordinate Voting Shares traded prior to the announcement of the Issuer Bid.

The Issuer Bid expired on October 19, 2011, with 12.6 million shares having been deposited and not withdrawn. The Company took up and paid for 10 million of the Subordinate Voting Shares deposited on a pro rata basis, with the balance of 2.6 million Subordinate Voting Shares having been returned to shareholders. The Subordinate Voting Shares purchased under the Issuer Bid represented approximately 16.2% of the Subordinate Voting Shares issued and outstanding as of October 19, 2011. After cancellation of the Subordinate Voting Shares purchased pursuant to the Issuer Bid, there were approximately 51.7 million Subordinate Voting Shares outstanding.

The aggregate consideration paid for the 10 million shares purchased and cancelled was \$237.5 million. The Company funded the purchase price using working capital provided through its established credit facilities as well as the sale of certain of its available for sale securities, including BNS Preferred Shares.

August 2011

- Dundee International Real Estate Investment Trust (“**Dundee International REIT**”) completed its initial public offering of 27 million trust units at \$10.00 per unit and \$140 million 5.5% convertible unsecured subordinated debentures due July 31, 2018 as well as the issuance of an additional 4.1 million units at \$10.00 per unit and \$21 million 5.5% convertible unsecured subordinated debentures pursuant to the exercise by the underwriters of the over-allotment option with respect to the initial public offering. See “*Business of the Company – Equity Accounted Investments – Dundee International REIT*” for further information.

June 2011

- Breakwater Resources Ltd. (“**Breakwater**”), a mining, exploration and development company that produces zinc, copper, lead and gold concentrates from mines located in Canada, Chile and Honduras, entered into a binding agreement with Nyrstar NV (“**Nyrstar**”), a global multi-metals company, to complete an all-cash offer to sell all of the outstanding common shares of Breakwater to Nyrstar (the “**Nyrstar Offer**”). Under the terms of the Nyrstar Offer, shareholders of Breakwater received \$7.00 per common share and a special dividend of \$0.50 per common share, which was declared by Breakwater immediately prior to the sale of Nyrstar.

On completion of the transaction, Dundee received cash of approximately \$155 million for its interest in Breakwater, including \$144.7 million from the direct sale of its common share holdings to Nyrstar and a \$10.3 million special dividend.

February 2011

- The Company completed the sale of its interest in DundeeWealth Inc. (“**DundeeWealth**”) pursuant to an offer by The Bank of Nova Scotia (“**Scotiabank**”) (the “**DundeeWealth Transaction**”). Prior to February, 2011, the Company’s most significant holding was its 48% direct and indirect equity ownership and approximately 60% voting control of DundeeWealth, a diversified wealth management company.

In connection with the DundeeWealth Transaction, the Company received 18,599,028 common shares and 14,897,209 3.70% preferred shares of Scotiabank. In addition, the Company received a cash dividend of \$149 million from DundeeWealth and 74,484,956 common shares of Dundee Capital Markets, representing an approximate 48% interest.

Additional information relating to the terms of the DundeeWealth Transaction is described in the Management Information Circular of the Company dated December 15, 2010, which is available on SEDAR at www.sedar.com.

BUSINESS STRATEGY

As a holding company, Dundee, for its own account, essentially acts as a traditional merchant bank providing capital for those companies engaged in resources, real estate, agriculture and infrastructure. As an investment bank, we also arrange for capital for third party partners and clients. We are well positioned, through “Dundee Goodman Private Wealth”, a brokerage operation specializing in retail private wealth clients, and “Dundee Capital Markets”, a wholly-owned division that provides capital to third party companies including special situations and those operating in our core areas of expertise. We look forward to growing our assets and those of our clients over the foreseeable future. Our vision is to build

long term increasing value in everything we do.

Dundee remains solidly long-term positive in our forecasted scenario whereby demand for most commodities, including food, will continue to exceed the world's ability to supply. Management has made and previously discerned the decision that the paradigm shift that has taken place in global commodity demand will continue. As such, we continue to shelter our Company from future global inflation by investing on behalf of third parties and for our own account in high quality assets and businesses that demonstrate those multi-faceted opportunities to achieve sustained growth in core sectors and high returns on invested capital, while increasing our fees for asset management over the long term. The Company works to continue to achieve growth and value from its capital markets activities, as well as direct and fiduciary positions in acquired assets. We are focussed on increasing our assets under administration and management for private wealth clients over time.

Dundee's overall mission for 2014 and beyond is to continue to build its capital markets and private wealth divisions into first class entities, while also keeping the ability to invest for its own account in any investment that meets its investment requirements. The Company's balance sheet remains strong. By using the financial advantage that comes from the liquid position of our assets and low debt, the Company is able to provide support to any equity or debt issue that may require our services. Management believes that the Company is well positioned, both financially and with expertise, to execute upon its strategic plans.

BUSINESS OF THE COMPANY

OVERVIEW

The Company raises, invests and manages capital on its own behalf and on behalf of its co-investors, and it develops and maintains operating platforms that enable it to effectively manage these assets and enhance their values over time. The Company owns and manages direct investments in its core focus areas and other select investments, through ownership, directly and indirectly, of both publicly listed and private companies.

The Company's activities include the management of assets, both domestic and international, consisting of:

1. physical assets, primarily resource, real estate, agriculture and infrastructure assets that are owned or co-owned within our core operating entities and managed on behalf of the Company and its co-investors; and
2. securities, which include significant positions in companies engaged in financial services, resource and real estate activities, and represent investments in physical assets such as those described above. Such securities are held on behalf of the Company and its clients and are managed by dedicated teams of investment professionals within the Dundee group of companies.

In addition to the information provided in this AIF about the Company's operations, subsidiaries and investee companies of Dundee which are reporting issuers have filed public disclosure documents containing detailed information specific to their respective operations. Copies of these documents may be obtained on SEDAR at www.sedar.com. A description of the Company's operations, material subsidiaries, equity accounted investments and certain investee companies follows.

SUBSIDIARIES

Goodman & Company, Investment Counsel Inc.

Asset management activities are carried out by the Company's 100% owned subsidiary, Goodman & Company, Investment Counsel Inc. (formerly Goodman Investment Counsel Limited) ("**GCIC**"), a registered portfolio manager and exempt market dealer across Canada and an investment fund manager in the provinces of Ontario, Quebec and Newfoundland and Labrador. GCIC is also registered as an Investment Adviser in the United States under the *Investment Advisers Act of 1940*, as amended.

GCIC's strategy is to acquire, develop and manage high quality assets and businesses that demonstrate an opportunity to achieve sustained growth and high returns in core sectors, as well as to increase asset management fee revenue over the long term.

GCIC acts as manager for all of the flow-through limited partnership business carried out under the "CMP", "CDR" and "Canada Dominion Resources" brands, along with Goodman Gold Trust, formerly CMP Gold Trust (TSX:GGT) ("**GGT**"). GCIC also acts as sub-advisor to DMP Resource Class, a Dynamic Funds mutual fund, under a sub-advisory agreement. The sub-advisory agreement provides GCIC with a share of management and performance fee revenues as they are generated.

In 2013, CMP 2013 Resource Limited Partnership raised approximately \$65.7 million. Subsequent to year end, CMP 2014 Resource Limited Partnership was launched, and aggregate gross proceeds of approximately \$31.9 million were raised.

On December 16, 2013, GGT announced a distribution (the "**GGT Distribution**") of \$0.80 per trust unit ("**Trust Unit**") to be paid on January 28, 2014 to unitholders of record on December 31, 2013. GGT also announced that it had adopted a distribution reinvestment plan (the "**DRIP**"). The DRIP provides eligible unitholders of GGT with a convenient means to purchase additional Trust Units by reinvesting their cash distribution at the closing market price of the units on the business day preceding the distribution date without having to pay commissions, service charges or brokerage fees.

The Company, a holder of Trust Units, elected to reinvest its GGT Distribution by participating in the DRIP and received, directly and indirectly, an additional 381,033 Trust Units pursuant to the DRIP. When aggregated with existing positions owned or controlled by the Company, as at January 28, 2014, it owned 2,195,707 Trust Units representing an approximate 25.2% interest in GGT.

On September 17, 2013, the Company launched, and GCIC was subsequently retained to manage, a new investment fund, Goodman Eclipse LP ("**Eclipse**"). Eclipse is a limited partnership established under the laws of Ontario. The investment objective of Eclipse is to achieve long term capital growth that is uncorrelated to the equity markets. The Company invested \$5,000,000 in Eclipse during the year ended December 31, 2013.

On September 25, 2013, the Company launched, and GCIC was subsequently retained to manage, Goodman Bluespring Fund ("**Bluespring**"). Bluespring is an open-ended trust established under the laws of the Province of Ontario. The investment objective of Bluespring is to maximize long term capital growth while seeking to mitigate market risk and volatility by investing in an actively managed portfolio consisting primarily of securities listed in North America. The Company invested \$5,000,000 in Bluespring during the year ended December 31, 2013. Subsequent to year end, Bluespring began offering units to qualified investors.

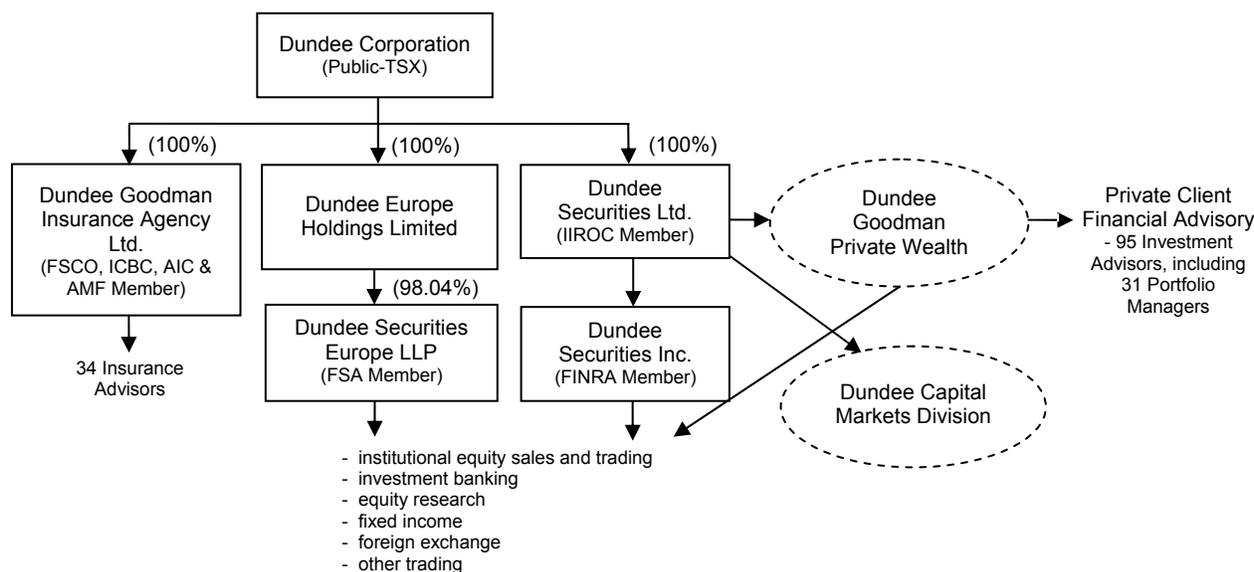
Dundee Securities Ltd.

Dundee Securities is a full-service Canadian investment dealer with offices in Toronto, Montreal, Vancouver, Calgary, Ottawa and Victoria and whose principal business includes investment banking, mergers and acquisitions, institutional sales and trading, investment, research, private client financial

advisory and management of investment products. DSL has expertise in specific sectors, namely, mining, energy, real estate, infrastructure, fertilizers & agriculture and other special situations.

DSL became a wholly owned subsidiary of the Company on February 1, 2012, when the Company successfully completed the acquisition of all the outstanding common shares of Dundee Capital Markets, DSL's then publicly traded parent company, Dundee Capital Markets Inc., that it did not already own, by way of a court approved plan of arrangement under the *Business Corporations Act* (Ontario). Total cash paid for completion of the transaction was \$88.0 million. See "The Company – Business Highlights" for further details regarding this transaction.

As of March 17, 2014, the Company's capital markets and private client advisory business is structured as follows:



DSL is a member of the Investment Industry Regulatory Organization of Canada ("IIROC") and the Canadian Investor Protection Fund. DSL's registered affiliates are: Dundee Securities Inc., a member of the Financial Industry Regulatory Authority that is registered as a broker dealer with the U.S. Securities Exchange Commission and with applicable regulators in certain States in the United States, Dundee Securities Europe LLP, which is registered with the United Kingdom's Financial Services Authority for the purposes of security broking and asset management, and Dundee Goodman Insurance Agency Ltd., which is licensed by each of the Financial Services Commission of Ontario ("FSCO"), the British Columbia Insurance Council ("ICBC"), the Alberta Insurance Council ("AIC") and the Autorité des Marchés Financiers ("AMF") to carry on business as a life insurance agency. DSL (and one or more of its registered affiliates) operates its private client financial advisory business through its Dundee Goodman Private Wealth division and its institutional, corporate finance and research businesses through its Dundee Capital Markets division.

Dundee Capital Markets' activities consist of investment banking, institutional equity sales and trading, and equity research. It has aligned its principal focus into specific sector coverage, namely, resources, real estate and infrastructure, diversified industries and special situations. The resources sector comprises mining, energy, fertilizers and agriculture. The capital markets group focuses on new ideas and the analysis of companies within these sectors to provide innovative research, trading strategies and opportunities for its institutional and retail clients.

As of December 31, 2013, DSL had 234 employees.

Investment Banking

Dundee Capital Markets' investment banking group provides a variety of financial services to corporate clients, including underwriting the sale of securities to the public, private placements of securities and advisory services related to mergers and acquisitions (“**M&A**”), divestitures, reorganizations and restructurings and stock exchange listings. The investment banking group earns revenue from investment banking activities principally through underwriting fees and commissions and M&A advisory fees. The majority of the fees are usually received in the form of cash, but occasionally may include stock and/or warrants. The investment banking group has industry knowledge and insight, technical expertise, transaction experience and specialized capabilities in its core sectors.

Underwriting

Dundee Capital Markets' underwriting business consists primarily of raising equity financing for public and, to a lesser extent, private issuers by providing them access to the capital markets. The underwriting business may involve originating and executing transactions on behalf of corporate clients by distributing offered securities to institutional and retail clients. Dundee Capital Markets' role in such transactions is either as a lead underwriter (often in combination with a syndicate of investment dealers managed by it), where DSL manages and executes the transaction or as a co-manager, where it participates as a member in a syndicate of investment dealers. Dundee Capital Markets participates in these transactions either as an underwriter where securities are purchased from the issuer and re-sold to investors or as an agent, where it intermediates the sale between the issuer and investors but generally does not put its own capital at risk. When acting as an underwriter, its capital is at risk for the period between entering into the underwriting commitment and completing the re-sale of the securities to investors. Dundee Capital Markets generates revenue from providing these services primarily through underwriting fees or commissions, which are generally contingent on the completion of the financing.

Advisory Services

Dundee Capital Markets provides advisory services to private and public issuers, financial and other investors in connection with a wide variety of transactions, including M&A, reorganizations and restructurings and stock exchange listings. These services, in addition to strategic and general capital markets advice, often include the preparation of professional opinions to be used by the boards of directors of clients. Dundee Capital Markets is generally compensated for its advisory services through success-based fees, with the bulk payable upon transaction completion, and in some instances there will be work fees or milestone payments that are credited against any success fee. For providing professional opinions, it is generally compensated through fixed fees, the majority of which are payable upon completion of specific stages of the mandate. As M&A mandates are often unpredictable and complex and there is often a long lead-time between engagement and completion, these revenues can vary significantly from period to period.

Institutional Equity Sales and Trading

The primary focus of the institutional equity sales and trading group is the selling, purchasing and trading of equity and equity-related securities on behalf of institutional clients, including mutual funds, hedge funds, pension funds, banks and insurance companies, generally involving trading of listed and over-the-counter securities. Dundee Capital Markets earns commissions from institutional clients for acting as agent in executing these trades on their behalf. This trading is primarily done on an agency basis, but it may also take select long or short positions as principal to facilitate the execution of institutional client trading in what is known as liability trading. Dundee Capital Markets utilizes its own capital for liability trading, both for its own account as well as to improve liquidity and facilitate institutional client transactions, which also assists it in generating commissions. The losses Dundee Capital Markets incurs as a result of liability trading are treated as a cost of earning commission revenue.

Investment Research

Dundee Capital Markets' research group provides innovative research, trading strategies and opportunities within the resources, real estate, infrastructure, diversified industries and special situations sectors to its institutional clients and Dundee Goodman Private Wealth's private clients alike. As of December 31, 2013, the research group had a total of 29 professionals providing research coverage on 191 specific companies with a principal focus on its core sectors of mining, energy, real estate, and fertilizers & agriculture.

Dundee Capital Markets' highly regarded economics team led by Dr. Martin Murenbeeld, comprises 4 economists and 1 research professional. Dundee Capital Markets economics publishes independent analysis and advice on a wide variety of economic and financial trends to interests across the globe.

Private Client Financial Advisory

As of December 31, 2013, the private client advisory group, which operates through DSL's Dundee Goodman Private Wealth division was comprised of 40 retail investment advisors, 16 of whom are licensed portfolio managers and 12 of whom are licensed insurance advisors. These advisors are employees of DSL and are located in the Company's corporate offices in Toronto, Montreal, Vancouver and Calgary. This group had assets under administration valued at approximately \$3.0 billion (2012 – \$3.1 billion) and had assets under management valued at approximately \$855 million as at December 31, 2013 (2012 – \$778 million) and is focused on portfolio management and investments for clients in equity and debt securities as well as providing a retail distribution pipeline for investment products originated by DSL's investment banking group.

Subsequent to year end, on March 14, 2014, DSL completed an acquisition of shares and assets from another Canadian investment dealer pursuant to which the Dundee Goodman Private Wealth division acquired an additional 55 investment advisors, bringing combined assets under administration and assets under management of over \$2 billion, 15 of whom are licensed portfolio managers and 22 of whom are licensed insurance advisors. As part of the transaction, Dundee Goodman Private Wealth also acquired an additional 22 professionals and 10 support staff took over additional branch offices in Ottawa, Victoria and Montreal.

Wealth Management Products and Services

The wealth management products and services offered by Dundee Goodman Private Wealth and Dundee Goodman Insurance Agency Ltd. (formerly DCM Insurance Agency Ltd.) include the following: equity securities including new issue and private issues of securities; fixed income products; closed end investment products; tax assisted investment products; alternative investments; fee based accounts; financial planning; insurance; self-directed registered accounts; margin accounts; discretionary portfolio management, small managed accounts programs and foreign exchange. DSL's retail advisory business generated management fees of \$6.7 million in 2013.

Subsequent to year end, Dundee Goodman Private Wealth launched Dundee Goodman Peak Portfolios, a separately managed accounts (SMA) program, which gives individual private client investors access to some of North America's top specialized portfolio managers for an asset-based fee, which fee covers portfolio advisory, brokerage fees and account administration. An SMA is a portfolio of actively managed securities that combines the expertise of professional portfolio managers (usually accessed through funds) with the transparency, comprehensive administration and reporting of a managed account (usually only available to institutional, wholesale or high net worth investors). As of March 15, 2014, Dundee Goodman Private Wealth had over \$75 million in the Dundee Goodman Peak Portfolios program.

Dundee Resources Limited

Dundee Resources is a wholly-owned subsidiary of the Company that provides technical support to Dundee and certain of its subsidiaries in evaluating potential investments in companies engaged in the mining and energy sectors and preparing due diligence and research reports in connection with such investments.

Dundee Energy Limited

Dundee Energy (TSX:DEN) is a Canadian-based company focused on creating long term value through the development and acquisition of high impact energy projects. Dundee Energy holds interests, both directly and indirectly, in: (i) the largest accumulation of producing oil and natural gas assets in Ontario, being the Southern Ontario Assets (as defined below); (ii) the development of an offshore gas storage facility in Spain, being the Castor Project; and, (iii) a preferred share interest in Eurogas International Inc. As of December 31, 2013, the Company owns, directly and indirectly, a 58% interest in Dundee Energy.

Most of Dundee Energy's operations are carried out by employees of Dundee Energy Limited Partnership ("**DELP**"), a wholly-owned limited partnership of Dundee Energy. Employees of DELP carry out the Company's Ontario business. As of February 1, 2014, DELP had approximately 35 full time employees, plus various seasonal employees.

Southern Ontario Assets

DELP, a wholly-owned limited partnership of Dundee Energy, owns a 95% working interest in approximately 80,000 acres of onshore oil properties and an 85% working interest in approximately 695,000 gross acres of offshore gas properties, all located in and around Lake Erie in Ontario, Canada, referred to herein as the "Southern Ontario Assets". The Southern Ontario Assets also include a 100% ownership interest in an onshore drilling rig, and an 85% interest in certain other assets, including an offshore fleet of drilling and completion barges and six gas plants and compressor stations that are located onshore and process offshore dry gas.

The majority of Dundee Energy's natural gas flows from offshore wells on Lake Erie that produce from Silurian age sandstone and carbonates at a maximum depth of 550 metres. The main producing horizons are the Grimsby, Whirlpool and Guelph formations. This gas is transported to shore through a pipeline grid on the bottom of Lake Erie, and then processed at one of six of the Company's onshore processing facilities. Dundee Energy entered into transportation agreements with pipeline companies and the majority of its natural gas is transferred to the Dawn Hub, which is conveniently located proximate to the Greater Toronto Area, at which point it is sold to third parties.

Sweet, light oil production comes from Ordovician and Silurian ages carbonates at a maximum geological depth of 850 metres. Oil and condensate production is trucked from six oil batteries and several single well locations to Sarnia, Ontario and subsequently sold to a third party.

Castor Underground Gas Storage Project

Dundee Energy holds an indirect interest in the Castor underground gas storage project, a Spanish infrastructure project that has converted the abandoned Amposta oil field, located off the eastern Mediterranean coast of Spain, to a natural gas storage facility (the "Castor Project"). The Castor Project is owned by Escal and is managed by ACS Servicios Comunicaciones y Energia S.L. ("**ACS**"), the largest construction group in Spain and a 67% shareholder of Escal. Dundee Energy's 74% owned subsidiary, Castor UGS Limited Partnership ("**CLP**"), owns the remaining 33% of Escal, providing Dundee Corporation with an indirect 14% interest in the Castor Project.

Pending Inclusion of the Castor Project to the Spanish Gas System

Final inclusion of the Castor Project into the Spanish gas system remains contingent on completion of the injection of cushion gas, followed by the subsequent completion of the necessary performance and control testing.

In addition, the remuneration regime associated with the Castor Project is subject to the conclusion of an audit by the Spanish authorities of the expenditures forming the remuneration basis.

In early 2013, Escal reached an agreement with Enagas, S.A. (“**Enagas**”) to provide the 600 million cubic metres of cushion gas required for the Castor Project. Enagas subsequently completed the acquisition of approximately 125 million cubic metres, and injection of the cushion gas into the reservoir began in June 2013. Approximately 85% of the acquired cushion gas was injected by September 16, 2013.

In mid-September 2013, seismic activity was detected in the area surrounding the Castor Project. Importantly, throughout this period, gas to liquid levels in the reservoir remained stable, significantly reducing concerns over the leakage of cushion gas. However, and while the seismic activity did not affect the integrity of the facility and the underground reservoir, nor cause any damage, the Spanish authorities have implemented a suspension to the injection of further volumes of cushion gas until an independent assessment of the source of seismic activity was completed. Independent assessments were subsequently completed and are currently under review and consideration by the Spanish authorities. The assessments put forward that the seismicity observed appears to be related to a secondary fault present in the area.

The technical and economic audits that are required for the inclusion of the Castor Project to the Spanish gas system commenced in July 2013, were completed in late December 2013 and were delivered to the Spanish authorities in January 2014. On a preliminary basis, these audits have concluded that the Castor Project is technically fit to store and deliver gas; it has an appropriate process design and configuration and it has sufficient safety engineering for operation. The audits have also concluded that the capital costs employed for the construction of the Castor Project are reasonable. These findings are now subject to the review of, and concurrence by, the Spanish authorities.

Further details on the business of Dundee Energy, including construction of the Castor Project and the associated remuneration system, are detailed in Dundee Energy’s management’s discussion and analysis as at and for the year ended December 31, 2013, which may be accessed at www.sedar.com or at www.dundee-energy.com.

United HydroCarbon International Corporation

Through a series of transactions, the Company has acquired 29.9 million shares or 29% of United Hydrocarbon International Corp. (“**United Hydrocarbon**”) (www.unitedhydrocarbon.com), a private Canadian company engaged in oil and gas exploration, development and production activities in the Republic of Chad. In addition to its investment in shares of United Hydrocarbon, the Company has advanced \$96.4 million to United Hydrocarbon pursuant to the terms of senior secured convertible debentures carrying an interest rate of up to 12% per annum, and it has received certain common share purchase warrants.

United Hydrocarbon entered into a Production Sharing Contract (“**PSC**”) in May 2012 with the government of Chad through its 100% owned subsidiary, United Hydrocarbon Chad Ltd. To obtain the PSC, United Hydrocarbon paid a signature bonus and related attorney’s fees of US\$92.2 million to the Government of the Republic of Chad. The PSC provides the exclusive right to explore and develop oil and gas reserves on four blocks: DOC Block, DOD Block, Lake Chad Block and Largeau III Block.

The Doba Basin is located in southern Chad and is the primary oil producing region of the country, having seen cumulative production of just under 500 million barrels since 2003. The DOC and DOD blocks are

within the Doba Basin and have extensive seismic data coverage over the blocks to be used in future exploration work. There are two discoveries that belong to United Hydrocarbon, Belanga and M'Biku, that were made by prior block operators. These discoveries are situated in close proximity to a producing oil field currently operated by Exxon. Through 2014, United Hydrocarbon is conducting an active drilling program within the Doba Basin blocks that will include approximately 15 exploration and development wells plus associated infrastructure. Current company plans are to have first oil on production in mid-2015 through excess capacity in the pipeline from Chad through Cameroon to an ocean loading vessel.

The Lake Chad Block is located in north-central Chad on the border with Niger. Within the company's block there are two known oil discoveries, namely Kumia and Kanem. There is also an extensive seismic data base that has been used by previous block operators to identify nearly 200 exploration leads on the block. Future exploration will include seismic and drilling as early as 2015. The Largeau III Block is more remote and relatively unexplored. While United Hydrocarbon plans to focus its efforts on the other three blocks in the near term, planning is underway to assess potential future exploration work on the Largeau Block.

The key terms of the PSC, signed on May 2, 2012, are outlined in the Company's Management's Discussion and Analysis for the year ended December 31, 2013 (the "**2013 MD&A**").

Further details on the business of United Hydrocarbon may be accessed at www.unitedhydrocarbon.com.

Blue Goose Capital Corp.

In December 2011, the Company completed its first investment in the agricultural sector by acquiring a controlling interest in Blue Goose Capital Corp. ("**Blue Goose**"), a Canadian private company focused on the production, distribution and sale of organic and natural beef, chicken, and fish. Organic protein is achieved through the raising of livestock and poultry in a purely organic environment, including feed from organically grown crops, no substrates or animal by-products in the feed, and by employing the highest standards of animal husbandry and welfare, with no use of artificial growth hormones or antibiotics. Blue Goose also raises its fish (Rainbow Trout) in a sustainable manner, including feed that is as natural as the food the fish would receive in the wild (consisting of fish meal, minerals, and vitamins), and by employing the highest standards of animal husbandry and welfare, with no use of artificial hormones or antibiotics. At December 31, 2013, the Company held an 84.3% interest in Blue Goose.

Following its initial acquisition of The Blue Goose Cattle Company in 2011, Blue Goose has been expanding its vertically integrated platform through an aggressive acquisition program, and is building the sales of its proteins through a focused national branding, marketing and sales strategy. During 2013, Blue Goose generated revenues of \$45.2 million and a net loss of \$11.6 million.

Blue Goose continues to build its sales volumes and the awareness around its brand. Noteworthy is that within months of launching its social media campaign in May 2013, Blue Goose became the number one followed social media brand in its category. Blue Goose also became the number one protein in the Certified Humane Program at Sobeys, as well as the exclusive organic poultry within Loblaw. Management of Blue Goose recognizes that after a period of rapid sales expansion, the time has come to take steps toward generating a profit from the company's growing sales base.

Cattle operations

Blue Goose provides quality organic and all natural beef products to markets in British Columbia and Ontario and is currently pursuing a sustainable program to expand its operations of organic natural cattle farming in North America. A key milestone in 2013 was the construction and certification of a federally licensed abattoir in British Columbia, giving Blue Goose the capability to market its beef product across Canada. This market expansion program is already in motion as 51 accounts were added to the beef retail distribution in 2013; and in December 2013, Loblaw launched its Blue Goose beef program in 13 stores in the Ontario market.

Blue Goose's land portfolio includes both freehold (deeded) acres and leasehold acreage in British Columbia and Ontario. In 2013, Blue Goose increased its land holdings under management to over 445,000 hectares. The company seeks to acquire high quality productive acreage that is fully irrigated and which provides quality hay fields for feed production and cattle grazing. With the expansion of its land portfolio, Blue Goose increased its herd count to over 11,796 at December 31, 2013, up from 8,469 over a year ago.

In addition to its organic cattle herd in British Columbia and Ontario, Blue Goose expanded its operations in the United States. In February 2013, Blue Goose completed the acquisition of Emma Farms Cattle Company, which produces Wagyu in Colorado and Oklahoma. At December 31, 2013 Emma Farms had a herd size of 326 purebred Wagyu which Blue Goose intends to significantly increase in the coming years. The Wagyu beef product is in high demand by upscale restaurants' throughout the United States.

Poultry operations

During 2013, Blue Goose made great strides in entering and expanding its poultry business. In line with its vertical integration strategy, Blue Goose acquired Fischer Feeds Limited, a well-established poultry feed producer based in Ontario and co-currently, entered into a partnership to produce organic poultry with an established Canadian poultry processor. These moves allowed Blue Goose to launch its fresh poultry product line in April 2013, and its packaged goods line in September 2013. By year end, Blue Goose had 16 fresh product SKUs (stock keeping units) and 12 packaged goods SKUs channeled into over 700 retail stores across Canada, from Atlantic Canada through to Western Canada. At the current run-rate, Blue Goose is selling approximately three million birds annually.

Fish/Aquaculture Operations

Blue Goose's aquaculture operations are comprised of organic and natural Rainbow Trout fish farms on Manitoulin Island, Ontario. Following the acquisition of Meeker Aquaculture in 2012, Blue Goose expanded its Rainbow Trout capacity with the \$1.1 million acquisition of North Wind Fisheries. The operations of North Wind Fisheries are currently being integrated with those of Meeker Aquaculture. The combined operations have the capacity to produce three million pounds of fish annually. Blue Goose intends to expand its sales of Rainbow Trout by leveraging off its existing client base in Western Canada.

Dundee Sustainable Technologies Inc.

Dundee Sustainable Technologies Inc., formerly Nichromet Extraction Inc. ("**Dundee Sustainable**") (www.nichromet.com) is a private Canadian company that has developed patented precious and base metal extraction processes that are environmentally friendly in that the residues of mining operations are totally void of contaminants such as cyanide, sulfur and arsenic. These processes are based on a new patented process using chlorination and have tested particularly efficient for the treatment of polymetallic ores either in the form of sulfides, oxides or arsenides.

In February 2013, Dundee Sustainable announced the receipt of a \$5.0 million grant from the Government of Canada through Sustainable Development Technology Canada for the development of a demonstration plant project, which is estimated to cost approximately \$25 million. The grant is a strong endorsement of Dundee Sustainable's scientific advancements and technological process towards commercialization of its patented processes. The Company has indicated to Dundee Sustainable its intent to assist with obtaining the necessary financing to complete the project.

On November 25, 2013, Dundee Sustainable and Creso Exploration Inc. (CSE: CXT) ("**Creso**") announced a transaction pursuant to which it would amalgamate with Dundee Sustainable (the "**Dundee Sustainable Amalgamation**").

On February 28, 2014, shareholders of Creso approved the Dundee Sustainable Amalgamation. If the Dundee Sustainable Amalgamation is effected, the common shares of Creso will cease to trade on the

Canadian Securities Exchange and the subordinate voting shares of Dundee Sustainable will be listed on the CSE, after which Dundee Sustainable will become a publicly listed reporting issuer. The Company will retain a controlling position in Dundee Sustainable through its interest in multiple voting common shares, holding an approximate 67.9% equity interest and an 86.3% voting interest in the resulting issuer.

Further details regarding the proposed amalgamation of Dundee Sustainable and Creso can be found in the Management Information Circular of Creso dated January 31, 2014, under Creso's profile at www.sedar.com.

Eurogas International Inc.

Eurogas International Inc. (CSE:EI) ("**Eurogas International**") (www.eurogasinternational.com), is an oil and natural gas exploration company. In June 2003, Eurogas International entered into a joint operating agreement with Atlas Petroleum Exploration Worldwide Ltd. ("**APEX**"), pursuant to which Eurogas International and APEX (jointly, the "**Original Contractors**") agreed to undertake exploration, appraisal and extraction activities on the Sfax permit, which currently covers approximately 800,000 acres in the shallow Mediterranean water in the Gulf of Gabes, offshore Tunisia and southeast of the city of Sfax. Eurogas International held a 45% working interest in the arrangement. APEX held the remaining 55% working interest, and was the operator of the project.

In January 2014, the Original Contractors entered into a farmout agreement with DNO Tunisia AS (the "**DNO Agreement**") with respect to the Sfax permit. The DNO Agreement provides for DNO acquiring an 87.5% working interest in the Sfax permit in exchange for a US\$6 million cash payment to the Original Contractors, and the carrying of 100% of all future costs associated with the Sfax permit, including the Original Contractors' drilling commitments pursuant to the Sfax permit.

For further information on Eurogas International see the Company's 2013 MD&A and Eurogas International's profile at www.sedar.com.

EQUITY ACCOUNTED INVESTMENTS

Dundee Precious Metals Inc.

Dundee Precious Metals Inc. (TSX:DPM) ("DPM" or "Dundee Precious is a Canadian based, international gold mining company engaged in the acquisition, exploration, development, mining and processing of precious metals. Its common shares and share purchase warrants (symbol: DPM and DPM.WT.A, respectively) are traded on the Toronto Stock Exchange ("TSX").

DPM's principal subsidiaries include:

- 100% of Dundee Precious Metals Chelopech EAD, formerly Chelopech Mining EAD, which owns and operates a gold, copper and silver mine located east of Sofia, Bulgaria;
- 100% of Dundee Precious Metals Kapan CJSC, formerly Deno Gold Mining Company CJSC, which owns and operates a gold, copper, zinc and silver mine located in the town of Kapan, south east of the capital city of Yerevan in southern Armenia;
- 100% of Dundee Precious Metals Krumovgrad EAD, formerly Balkan Mineral and Mining EAD, focused on the development of a gold property located in south eastern Bulgaria, near the town of Krumovgrad;
- 100% of Dundee Precious Metals Tsumeb (Proprietary) Limited, formerly Namibia Custom Smelters (Proprietary) Limited, which owns and operates a custom smelter located in Tsumeb, Namibia;

- 53.1% of Avala Resources Ltd., a TSX Venture Exchange listed company (TSXV: AVZ) incorporated in Canada and focused on the exploration and development of the Timok project in Serbia; and
- 45.5% of Dunav Resources Ltd., a TSXV listed company (TSXV: DNV) incorporated in Canada and focused on the exploration and development of the Tulare copper and gold project and other early stage projects in Serbia.

At December 31, 2013, the Company held 34,720,807 common shares with an aggregate market value of approximately \$107 million, representing an approximate 25% interest in DPM.

Further details on the business of DPM may be accessed under its profile at www.sedar.com.

Dundee Real Estate Investment Trust

Dundee REIT (www.dundeereit.com) is an unincorporated, real estate investment trust and is a leading provider of high quality, affordable business premises. During the year ended December 31, 2013, Dundee REIT completed approximately \$605 million of portfolio acquisitions, adding approximately 1.7 million square feet of gross leaseable area (“GLA”). At December 31, 2013, Dundee REIT’s portfolio consisted of approximately 24.6 million square feet (December 31, 2012 – 22.9 million square feet) of GLA across Canada, excluding properties classified as held for sale and redevelopment.

During the year ended December 31, 2013, Dundee REIT completed a public offering of 6.4 million units at a price of \$36.20 for gross proceeds of \$230.0 million and Dundee REIT completed the issuance of \$175 million aggregate principal amount of senior unsecured debentures. In October 2013, Dundee REIT completed the issuance of a further \$125 million aggregate principal amount of floating rate senior unsecured debentures. Subsequent to December 31, 2013, Dundee REIT completed the issuance of a further \$150 million aggregate principal amount of Series C senior unsecured debentures. The Company did not participate in these offerings, resulting in a dilution of the Company’s interest to 5% at the end of December 2013.

Additional information regarding Dundee REIT is provided in the 2013 MD&A and under Dundee REIT’s profile at www.sedar.com.

Dundee International Real Estate Investment Trust

Dundee International REIT (www.dundeeinternational.com) is an unincorporated, open-ended real estate investment trust that provides investors with the opportunity to invest in commercial real estate exclusively outside of Canada.

Dundee International REIT completed over \$1 billion of acquisitions during the year ended December 31, 2013, increasing its portfolio to approximately 15.7 million square feet (December 31, 2012 – 13.3 million square feet) of GLA, all located in Germany. In order to provide partial funding for these acquisitions, during the year ended December 31, 2013 Dundee International REIT issued 37.5 million units, diluting the Company’s interest to 9% at December 31, 2013 (December 31, 2012 – 18%).

The Company has also entered into a sub-participation agreement for €28.9 million with a Canadian chartered bank pursuant to which the Company agreed to participate in the Canadian bank’s participation in a Dundee International REIT credit facility. At December 31, 2013, amounts outstanding pursuant to these arrangements were €28.3 million (December 31, 2012 – €28.8 million).

360 VOX Corporation

360 VOX (www.360vox.com) is a publicly traded company listed on the TSX Venture Exchange under the symbol "VOX". 360 VOX is engaged in the business of managing and developing international hotel, resort, residential and commercial real estate projects through its wholly-owned subsidiaries. 360 VOX is also engaged in the sales and marketing of real estate through Sotheby's International Realty Canada and Blueprint Global Marketing.

During the third quarter of 2013, the Company entered into certain agreements with 360 VOX and with Paragon Development Ltd. ("Paragon"), a leading North American destination resort developer, for the design and development of a \$535 million, 675,000 square foot urban resort, adjacent to the B.C. Place Stadium in Vancouver, British Columbia. The development, which is expected to open at the end of 2016, will feature two resort hotels, a conference centre, restaurants and retail space and will house the relocated Edgewater Casino. The Company and Paragon will arrange financing for the project and will retain an equity interest. The management, construction and development of the resort complex are contracted to 360 VOX.

On September 26, 2013, 360 VOX further announced that it had entered into an urban design and master planning agreement with Beijing Chief Orient Investment Management Co. Ltd. pursuant to which 360 VOX will provide planning services and economic analysis for a new community development in Miyun County, Beijing. On December 17, 2013, 360 VOX announced that it had acquired through its subsidiary a controlling interest in Clearpoint Resort Limited ("Clearpoint") in Cavtat, Croatia. Clearpoint will be a master-planned hotel, marina and recreational residential development that envisages a mix of private apartments, townhomes and luxury villas, on over 100,000 m² in Cavtat, Croatia, near Dubrovnik.

Further details on the business of 360 VOX may be accessed under its profile at www.sedar.com.

DIRECT INVESTMENTS

DREAM Unlimited Corp.

In connection with the distribution of assets to shareholders pursuant to the DREAM Arrangement with Dundee Realty, the Corporation retained 21,636,288 Class A subordinate voting shares of DREAM, which represented a 29% interest in DREAM and a 20% indirect interest in Dundee Realty.

DREAM is one of Canada's leading real estate companies with over \$13 billion of assets under management in North America and Europe. The scope of the business includes residential land development, housing and condominium development, asset management for three TSX-listed funds, investments in Canadian renewable energy infrastructure and commercial property ownership. DREAM has an established track record for being innovative and for its ability to source, structure and execute on compelling investment opportunities. DREAM intends to continue growing its business by seeking out new opportunities where it can use its experience and expertise, relationships and capital to achieve attractive risk adjusted returns.

Further information regarding DREAM can be accessed under its profile at www.sedar.com.

Union Group International Holdings Limited

In January 2013, the Company made a strategic investment in Union Group International Holdings Limited ("**Union Group**") by acquiring a 25% interest in a rapidly growing Latin American-focused company operating in the agriculture, power generation, minerals, infrastructure & logistics, real estate and oil & gas sectors. Union Group is a private equity manager and investor in underdeveloped natural resources, infrastructure and real estate sectors in high-growth South American economies.

Subsequent to December 31, 2013, Dundee Corporation increased its equity interest in Union Group to 40%.

Founded by Uruguayan entrepreneur Juan Sartori in 2007, Union Group manages over US\$1 billion in assets invested in real, tangible assets in the agriculture, power generation, infrastructure & logistics, minerals, oil & gas and real estate sectors in a select number of Latin American countries such as Uruguay, Peru and Paraguay, where they are rapidly expanding their portfolio.

The core sectors that Union Group covers include:

- *Agriculture* – Union Agriculture Group founded in 2008 as a diversified agricultural company operating in Uruguay, is today the largest corporate agricultural landholder and operator in the country. The company currently manages 181,000 hectares of farmland and is a leading producer of dry crops, rice, cattle, sheep and dairy for global export. Over the past year, Union Agriculture Group completed its fifth private placement, listed its local subsidiary on the Montevideo Stock Exchange and acquired the totality of the Uruguayan assets of El Tejar, the second largest agribusiness in the country.
- *Power Generation* – Union Group develops, builds and operates power generation plants in South America. The company has been developing close to 1,000 MW of new hydropower capacity in Peru since 2011, distributed across a portfolio of 10 run-of-river projects at various stages of development. Union Group recently commenced construction of its first two plants, El Carmen and 8 de Agosto (27 MW).
- *Minerals* – Union Group develops mineral assets in Latin America. The company has extensive operations in Uruguay with projects diversified across minerals and maturity stages. Development assets include iron-ore, gold, titanium and chrome areas with large resources identified. Its landmark Rivera Minerales operation in Uruguay has over 6 billion tonnes of contingent iron-ore resource.
- *Infrastructure & Logistics* – Union Group develops and operates infrastructure and logistics assets in Uruguay. Existing operations include the development of new river and deep sea port operations as well as water transportation and shipping. Over the past year, Union Group has acquired a cargo ship and barges to increase its shipping capacity, and significantly increased trading volumes.
- *Real Estate* – Union Group manages and invests in prime real estate properties in Latin America. Union Group is currently managing a diversified portfolio of properties including income generating, residential and coastline land properties. Over the past year Union Group has continued the development of its landmark residential project Oceania with inauguration planned for May 2014.
- *Oil & Gas* – Union Group develops and operates oil & gas assets in the Andean and Southern Cone regions. The company has a diversified portfolio including mature exploration assets in markets with proven reserves such as Peru, and early stage exploration assets in under-explored areas with high potential such as Paraguay and Uruguay. Over the past year, Union Group acquired 80% in the Z-34 Peruvian block, a highly prospective offshore acreage within the Talara Basin (northern Peru) with 2.4 billion barrels unrisks resources.

Further details on the business of Union Group may be accessed at www.uniongrp.com

Other Investments

The Company's other investments include investments in both publicly listed and private companies in a variety of sectors as well as investments in highly liquid securities such as mutual funds.

The Company evaluates its portfolio of assets on an ongoing basis with a view to maximizing value for its shareholders. As a result, the Company expects that the composition of its assets may change from time to time and evolve in response to future opportunities as they arise, and the Company will consider economic conditions, strategic opportunities, costs of acquisitions and dispositions of assets, financing alternatives and other considerations in connection with its evaluation of each such future opportunity.

DESCRIPTION OF SHARE CAPITAL

The Company is authorized to issue an unlimited number of Subordinate Voting Shares, an unlimited number of Common Shares, an unlimited number of first preference shares, issuable in series (“**First Preference Shares**”), an unlimited number of second preference shares, issuable in series (“**Second Preference Shares**”) and an unlimited number of third preference shares, issuable in series (“**Third Preference Shares**”). The following is a summary of the rights, privileges, restrictions and conditions attached to each class of shares of the Company.

As of December 31, 2013, the Company had the following securities outstanding:

Subordinate Voting Shares	50,990,566
Common Shares	3,115,835
First Preference Shares, Series 2 Shares	5,200,000
First Preference Shares, Series 4 Shares	6,000,000
5.85% Exchangeable Unsecured Subordinated Debentures	6,490

On May 30, 2013, the First Preference Shares, Series 1 were cancelled and replaced by the First Preference Shares, Series 4, pursuant to the DREAM Arrangement. See “*The Company – Business Highlights – May 2013*” and “*Business of the Company – Direct Investments – DREAM Unlimited Corp.*” for further information.

SUBORDINATE VOTING SHARES AND COMMON SHARES

Holders of Subordinate Voting Shares and Common Shares are entitled to one vote and 100 votes, respectively, for each such share held on all votes taken at meetings of the shareholders of the Company. As of December 31, 2013, there were issued and outstanding 50,990,566 Subordinate Voting Shares and 3,115,835 Common Shares and such outstanding Subordinate Voting Shares represented an aggregate of 14.1% of the votes entitled to be voted at a meeting of holders of Subordinate Voting Shares and holders of Common Shares. Subject to the rights of holders of First Preference Shares, Second Preference Shares, Third Preference Shares and other shares of the Company ranking prior to the Subordinate Voting Shares and Common Shares, the Subordinate Voting Shares and Common Shares participate equally, share for share, as to dividends. The Common Shares are convertible into Subordinate Voting Shares on a one-for-one basis at any time, subject to adjustment.

In the event an offer to purchase Common Shares is made which must, by reason of applicable securities legislation or the requirements of a stock exchange on which the Common Shares are then listed, be made to all or substantially all of the holders of Common Shares residing in any province of Canada, each Subordinate Voting Share will be convertible at the option of the holder into one Common Share, subject to adjustment, at any time from the day the offer is made until: (a) in the case of an offer other than an

offer made through the facilities of a stock exchange, the latest time for deposit of Common Shares under the offer; and (b) in the case of an offer made through the facilities of a stock exchange on which the Common Shares are listed, 12:30 p.m., Toronto time, on the business day immediately preceding the last date upon which holders of Common Shares may accept the offer. The right of conversion into Common Shares will not come into effect in the event that an identical offer in terms of price per share, percentage of shares to be taken up and other essential terms is made to purchase Subordinate Voting Shares concurrently with the offer to purchase Common Shares. All Subordinate Voting Shares so converted into Common Shares will be automatically reconverted into Subordinate Voting Shares: (a) in the case of Common Shares taken up and purchased under the offer, immediately after the Common Shares are taken up and purchased under the offer; or (b) in the case of Common Shares not taken up and purchased under the offer, immediately after such Common Shares are released to the holder thereof.

Each Subordinate Voting Share will be automatically converted into a Common Share in the case of an exempt take-over bid for Common Shares at a price per Common Share exceeding 115% of the trading price of the Subordinate Voting Shares by an offeror acquiring shares of the Company such that the offeror holds voting shares of the Company having attached thereto 50% or more of the votes attached to all of the then outstanding shares of the Company. Other than as set out above, holders of Subordinate Voting Shares and Common Shares rank equally in all respects.

Subject to the rights of holders of First Preference Shares, Second Preference Shares, Third Preference Shares and other shares of the Company ranking prior to the Subordinate Voting Shares and Common Shares, holders of Subordinate Voting Shares and Common Shares are entitled to participate equally in the property and assets of the Company available to such holders in the event of the liquidation, dissolution or winding-up of the Company.

The listing agreement between the Company and the TSX provides that, prior to the issue from treasury of any Common Shares, separate approval of holders of Subordinate Voting Shares is required in addition to any shareholder approvals which might otherwise be required by the TSX or any other exchange on which such shares are listed. This restriction does not apply to the issue of Common Shares upon conversion of Subordinate Voting Shares in accordance with the rights thereof or pursuant to the declaration of stock dividends on the Common Shares payable in Common Shares provided that such stock dividends do not result in the issue in any calendar year of more than 5% of the Common Shares issued and outstanding as at the last day of the immediately preceding calendar year.

FIRST PREFERENCE SHARES

Each series of First Preference Shares, with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, will rank on a parity with the First Preference Shares of every other series and senior to the Subordinate Voting Shares, Common Shares, Second Preference Shares and Third Preference Shares.

Except in accordance with any voting rights which may be attached to any series of First Preference Shares, the holders of First Preference Shares are not entitled, as such, to receive notice of, or to attend, any meeting of shareholders of the Company, nor are they entitled to vote at any such meeting; provided that such holders shall be entitled to receive notice of any meetings of shareholders of the Company called for the purpose of authorizing the dissolution of the Company or the sale, lease or exchange of all or substantially all of its property. The approval of holders of First Preference Shares as a class to any matters which, by law, require such approval may be given by the affirmative vote of holders of not less than two-thirds of the First Preference Shares represented and voted at a meeting called and held for such purpose.

Series 2 Shares

There are 5,200,000 Cumulative 5-Year Rate Reset First Preference Shares, Series 2 (the “**Series 2 Shares**”) authorized to be issued. As of December 31, 2013, there were 5,200,000 Series 2 Shares outstanding.

Voting Rights

Holders of Series 2 Shares are not entitled to any voting rights (except as otherwise provided by law). However, if at any time the Company is in arrears for eight quarterly dividends in respect of the Series 2 Shares, whether or not consecutive or declared, and whether or not there are any monies of the Company properly applicable for the payment of such dividends, the holders of Series 2 Shares shall be entitled, together with all other shares of the Company, to receive notice of all meetings of shareholders of the Company and thereat to vote one vote for each share held, except for meetings at which only holders of another class or series are entitled to vote, until such arrears for such dividends shall have been paid.

Redemption Rights

The Series 2 Shares are redeemable, in whole or in part, on September 30, 2014 and on September 30 every fifth year thereafter, at the option of the Company for a cash price of \$25.00 per share, together with all accrued and unpaid dividends to, but excluding, the redemption date.

If at any time, under applicable law or in the circumstances described in the Final Short Form Prospectus dated September 30, 2009 of the Company, the Series 2 Shares become entitled to vote separately as a class with all other first preference shares or separately as a series, the Company may at its option redeem all or any number of the then outstanding Series 2 Shares upon payment in cash of:

- \$25.25 per Series 2 Share, if redeemed on or after September 30, 2013 and prior to September 30, 2014; or
- \$25.00 per Series 2 Share, if redeemed on or after September 30, 2014,

together with all accrued and unpaid dividends to the date fixed for redemption.

Conversion Rights

The holders of Series 2 Shares shall have the right on September 20, 2014 and each September 30 every fifth year thereafter (each a “**Series 2 Conversion Date**”) to convert all or any of their Series 2 Shares into Series 3 Shares on the basis of one Series 3 Share for each Series 2 Share, upon written notice to the Company that is not less than 15, and not more than 30 days prior to the applicable Series 2 Conversion Date. The Company shall not more than 60 and not less than 30 days prior to each Series 2 Conversion Date, provide notice of such conversion right to the holders of Series 2 Shares, together with the applicable form of conversion notice, and the Company shall provide the applicable information regarding the dividend rates applicable to Series 3 Shares upon such conversion on the 30th day prior to the applicable Series 2 Conversion Dates.

If, after having taken into account all Series 2 Shares tendered for conversion into Series 3 Shares and all Series 3 Shares tendered for conversion into Series 2 Shares, there would remain less than 500,000 Series 2 Shares outstanding, then all of the remaining outstanding Series 2 Shares will be converted into Series 3 Shares on the basis of one Series 3 Share for each Series 2 Share on the applicable Series 2 Conversion Date. Notwithstanding the foregoing: (i) holders of Series 2 Shares shall not be entitled to such conversion right if after having taken into account all Series 2 Shares tendered for conversion into Series 3 Shares and all Series 3 Shares tendered for conversion into Series 2 Shares there would remain less than 500,000 Series 3 Shares outstanding; and (ii) the conversion rights of holders of Series 2

Shares, and the rights of such holders to receive notice from the Company of dividend rates and conversion rights, shall terminate if the Company gives notice to the holders of the Series 2 Shares of the redemption of all Series 2 Shares by the Company.

The Company is entitled, at its option, upon conversion of Series 2 Shares into Series 3 Shares, to pay any holders of Series 2 Shares that the Company, or the transfer agent of the Company, believes is not a resident of Canada cash in lieu of Series 3 Shares which the holder would have otherwise been entitled to receive, in accordance with the articles of the Company.

Repurchase Rights

The Company may purchase for cancellation all or any part of the then outstanding Series 2 Shares on the open market by private agreement or otherwise.

Dividends

The holders of Series 2 Shares are entitled to receive quarterly fixed, cumulative, preferential cash dividends, if, as and when declared by the board of the directors of the Company, in an amount equal to \$1.6875 per Series 2 Share per annum (less any tax required to be deducted and withheld by the Company from payments to non residents), which shall accrue daily from and including the original date of issue, and shall be payable on the last day of March, June, September and December in each year.

Winding Up, Dissolution

In the event of the liquidation, dissolution or winding up of the Company, holders of Series 2 Shares are entitled to receive from the assets of the Company an amount equal to \$25.00 per Series 2 Share, together with an amount equal to all accrued but unpaid dividends thereon, before any amount shall be paid by the Company to holders of any Shares ranking junior as to capital to the Series 2 Shares.

Series 3 Preference Shares

There are 5,200,000 Series 3 First Preference Shares, Series 3 ("**Series 3 Shares**") authorized to be issued. As of December 31, 2013, there were no Series 3 Shares outstanding.

Voting Rights

Holders of Series 3 Shares are not entitled to any voting rights (except as otherwise provided by law). However, if at any time the Company is in arrears for eight quarterly dividends in respect of the Series 3 Shares, whether or not consecutive or declared, and whether or not there are any monies of the Company properly applicable for the payment of such dividends, the holders of Series 3 Shares shall be entitled, together with all other shares of the Company, to receive notice of all meetings of shareholders of the Company and thereat to vote one vote for each share held, except for meetings at which only holders of another class or series are entitled to vote, until such arrears for such dividends shall have been paid.

Redemption Rights

The Series 3 Shares are redeemable, in whole or in part, at any time; at the option of the Company, for a cash price of: (i) \$25.50 per share, together with all accrued and unpaid dividends to, but excluding, the redemption date, if such Series 3 shares are redeemed after September 30, 2014 on a date that is not a Series 3 Conversion Date (as defined below). If at any time, under applicable law or in the circumstances described in the Final Short Form Prospectus dated September 30, 2009 of the Company, the Series 3 Shares become entitled to vote separately as a class with all other First Preference Shares or separately as a series, the Company may at its option redeem all or any number of the then outstanding Series 3 Shares upon payment in cash of \$25.00 per share, together with all accrued and unpaid dividends to, but

excluding, the redemption date; and (ii) \$25.00, if such Series 3 Shares are redeemed on a Series 3 Conversion Date, together with all accrued and unpaid dividends to, but excluding, the redemption date.

Conversion Rights

The holders of Series 3 Shares shall have the right on September 30, 2019 and each September 30 every fifth year thereafter (each a “**Series 3 Conversion Date**”) to convert all or any of their Series 3 Shares into Series 2 Shares on the basis of one Series 2 Share for each Series 3 Share, upon written notice to the Company that is not less than 15, and not more than 30 days prior to the applicable Series 3 Conversion Date. The Company shall not more than 60 and not less than 30 days prior to each Series 3 Conversion Date, provide notice of such conversion right to the holders of Series 3 Shares, together with the applicable form of conversion notice, and the Company shall provide the applicable information regarding the dividend rates applicable to Series 2 Shares upon such conversion on the 30th day prior to the applicable Series 3 Conversion Dates.

If, after having taken into account all Series 3 Shares tendered for conversion into Series 2 Shares and all Series 2 Shares tendered for conversion into Series 3 Shares, there would remain less than 500,000 Series 3 Shares outstanding, then all of the remaining outstanding Series 3 Shares will be converted into Series 2 Shares on the basis of one Series 2 Share for each Series 3 Share on the applicable Series 3 Conversion Date. Notwithstanding the foregoing: (i) holders of Series 3 Shares shall not be entitled to such conversion right if after having taken into account all Series 3 Shares tendered for conversion into Series 2 Shares and all Series 2 Shares tendered for conversion into Series 3 Shares there would remain less than 500,000 Series 2 Shares outstanding; and (ii) the conversion rights of holders of Series 3 Shares, and the rights of such holders to receive notice from the Company of dividend rates and conversion rights, shall terminate if the Company gives notice to the holders of the Series 3 Shares of the redemption of all Series 3 Shares by the Company.

The Company is entitled, at its option, upon conversion of Series 3 Shares into Series 2 Shares, to pay any holders of Series 3 Shares that the Company, or the transfer agent of the Company, believes is not a resident of Canada cash in lieu of Series 2 Shares which the holder would have otherwise been entitled to receive, in accordance with the articles of the Company.

Repurchase Rights

The Company may purchase for cancellation all or any part of the then outstanding Series 3 Shares on the open market, by private agreement or otherwise.

Dividends

The holders of Series 3 Shares are entitled to receive a quarterly floating rate dividend, as and when declared by the board of the directors of the Company, equal to the then current three-month Government of Canada Treasury Bill Yield plus 4.10%. Holders of the Series 3 Shares may convert their Series 3 Shares into Series 2 Shares, subject to certain conditions and the Company’s right to redeem the Series 3 Shares, on September 30, 2019 and on September 30th every fifth year thereafter.

Winding Up, Dissolution

In the event of the liquidation, dissolution or winding up of the Company, holders of Series 3 Shares are entitled to receive from the assets of the Company an amount equal to \$25.00 per Series 3 Share, together with an amount equal to all accrued but unpaid dividends thereon, before any amount shall be paid by the Company to holders of any shares ranking junior as to capital to the Series 3 Shares.

Series 4 Shares

There are 6,000,000 First Preference Shares, Series 4 (“**Series 4 Shares**”) authorized to be issued. As of December 31, 2013, there were 6,000,000 Series 4 Shares outstanding.

Voting Rights

Holders of Series 4 Shares are not entitled to any voting rights (except as otherwise provided by law or in the conditions attaching to the First Preference Shares as a class). However, if at any time the Company is in arrears for eight quarterly dividends in respect of the Series 4 Shares, whether or not consecutive or declared, and whether or not there are any monies of the Company properly applicable for the payment of such dividends, the holders of Series 4 Shares shall be entitled, together with all other shares of the Company, to receive notice of all meetings of shareholders of the Company and thereat to vote one vote for each share held, except for meetings at which only holders of another class or series are entitled to vote, until such arrears for such dividends shall have been paid.

Redemption Rights

The Series 4 Shares are redeemable at the option of the Company for a cash price of:

- \$18.20 per Series 4 Share, if redeemed on or after June 30, 2013 and prior to June 30, 2014;
- \$18.02 per Series 4 Share, if redeemed on or after June 30, 2014 and prior to June 30, 2015; and
- \$17.84 per Series 4 Share, at any time on or after June 30, 2015,

together with all accrued and unpaid dividends thereon.

Prior to June 30, 2016, a holder of Series 4 Shares cannot require the Company to redeem any Series 4 Shares. On or after June 30, 2016, a holder of Series 4 Shares may require the Company to redeem such shares for a cash price of \$17.84 per share, together with all accrued and unpaid dividends thereon.

Conversion Rights

Subject to compliance with all applicable laws, including receipt of all necessary regulatory approvals, the Series 4 Shares are convertible, at the option of the Company, into Subordinate Voting Shares at any time prior to June 30, 2016.

The number of Subordinate Voting Shares into which each Series 4 Share may be so converted will be determined by dividing the then applicable redemption price per Series 4 Share, together with all accrued and unpaid dividends up to but excluding the date fixed for conversion, by the greater of: (i) \$2.00; and (ii) 95% of the weighted average trading price of the Subordinate Voting Shares on the TSX for the 20 consecutive trading days ending on the fourth day prior to the date specified for conversion or, if such fourth day is not a trading day, the immediately preceding trading day. The Company does not currently intend to convert the Series 4 Shares.

Repurchase Rights

The Company may purchase for cancellation all or any part of the then outstanding Series 4 Shares on the open market by private agreement or otherwise.

Dividends

The holders of Series 4 Shares are entitled to receive quarterly fixed cumulative preferential cash

dividends, if, as and when declared by the board of the directors of the Company, in an amount equal to \$0.892 per share per annum (less any tax required to be deducted and withheld by the Company from payments to non-residents) to accrue daily from and including the original date of issue, payable on the last day of March, June, September and December in each year.

Winding Up, Dissolution

In the event of the liquidation, dissolution or winding up of the Company, holders of Series 4 Shares are entitled to receive from the assets of the Company an amount equal to \$17.84 per Series 4 Share, together with an amount equal to all accrued but unpaid dividends thereon, before any amount shall be paid by the Company to holders of any Shares ranking junior as to capital to the Series 4 Shares.

SECOND PREFERENCE SHARES

Each series of Second Preference Shares, with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, will rank junior and subordinate to the First Preference Shares, on a parity with Second Preference Shares of every other series, and senior to the Subordinate Voting Shares, Common Shares and Third Preference Shares.

Except in accordance with any voting rights which may be attached to any series of Second Preference Shares, the holders of Second Preference Shares are not entitled, as such, to receive notice of, or to attend, any meeting of shareholders of the Company, nor are they entitled to vote at any such meeting provided that such holders shall be entitled to receive notice of any meetings of shareholders of the Company called for the purpose of authorizing the dissolution of the Company or the sale, lease or exchange of all or substantially all of its property. The approval of holders of Second Preference Shares as a class to any matters which, by law, require such approval, may be given by the affirmative vote of holders of not less than two-thirds of the Second Preference Shares represented and voted at a meeting called and held for such purpose.

As of December 31, 2013, there were no Second Preference Shares authorized or outstanding.

THIRD PREFERENCE SHARES

Each series of Third Preference Shares, with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, will rank junior and subordinate to the First Preference Shares and the Second Preference Shares, on a parity with the Third Preference Shares of every other series and senior to the Subordinate Voting Shares and Common Shares. Except in accordance with any voting rights which may be attached to any series of Third Preference Shares, the holders of Third Preference Shares are not entitled to receive notice of, or to attend, any meeting of shareholders of the Company, nor are they entitled to vote at any such meeting (except for a meeting called for the purpose of authorizing the dissolution of the Company or the sale, lease or exchange of all or substantially all of its property). The approval of holders of Third Preference Shares as a class to any matters which, by law, require such approval, may be given by the affirmative vote of holders of not less than two-thirds of the Third Preference Shares represented and voted at a meeting called and held for such purpose.

As of December 31, 2013, there were no Third Preference Shares authorized or outstanding.

DEBENTURES

5.85% Exchangeable Unsecured Subordinated Debentures

The Company originally issued \$100 million principal amount of 5.85% exchangeable unsecured subordinated debentures (the “**5.85% Debentures**”) pursuant to a trust indenture (the “**5.85% Trust**”

Indenture) dated as at June 22, 2005 between the Company and Computershare Trust Company of Canada, as trustee. As of December 31, 2013, approximately \$6.5 million of the 5.85% Debentures remained outstanding. The 5.85% Debentures are direct, unsecured, subordinated obligations of the Company, bear interest at the rate of 5.85% per annum and mature on June 30, 2015. The 5.85% Debentures are exchangeable at the holders' option for Series A Units ("**Series A Units**") of Dundee REIT held by the Company or its subsidiaries at any time prior to the earlier of the maturity date and the date fixed for redemption at an exchange price of \$29.75 per Unit (being a ratio of 33.6134 Series A Units per \$1,000 principal amount of 5.85% Debentures), subject to customary adjustment events.

On and after June 30, 2011, the 5.85% Debentures may be redeemed in whole or in part from time to time at the Company's option at a price equal to their principal amount plus accrued interest. In the event of a change of control of Dundee REIT at any time, the 5.85% Debentures may be redeemed, at the option of either the holder thereof or the Company, at a price of 101% of the principal amount thereof (if redeemed by the holder), and at par (if redeemed by the Company). The Company may satisfy its obligation to repay the principal amount of the 5.85% Debentures on redemption (including upon a change of control of Dundee REIT) or at maturity, in whole or in part by delivering that number of Series A Units equal to the amount due divided by 95% of the market price for the Series A Units at that time, plus accrued interest in cash.

Subsidiaries of the Company have pledged and deposited with the trustee sufficient securities which are themselves exchangeable for Series A Units in order to permit full exchange of the 5.85% Debentures (the "**Pledged Units**"). Payment of the principal amount of, and interest (and premium, if any) on the 5.85% Debentures is subordinated in right of payment, in the circumstances set forth in the 5.85% Trust Indenture, to "Senior Indebtedness", as defined therein. The 5.85% Trust Indenture does not limit the Company's ability to incur additional indebtedness, including indebtedness that ranks senior to the 5.85% Debentures, or from mortgaging, pledging or charging real or personal property or properties of the Company to secure any indebtedness (other than security over the Pledged Units). Material modifications and amendments of the 5.85% Trust Indenture (including the waiver of events of default) require the approval of the holders of 66⅔% of the principal amount of the then outstanding 5.85% Debentures present at a meeting or represented by proxy or rendered by instruments in writing signed by the holders of not less than 66⅔% of the principal amount of the then outstanding 5.85% Debentures.

DIVIDEND POLICY

The current practice of the Company is to pay dividends to the holders of its Series 2 Shares and Series 4 Shares. The Company has not established a dividend policy with respect to the Subordinate Voting Shares or the Common Shares of the Company instead using its normal course issuer bid to purchase Subordinate Voting Shares for cancellation. Any future determination to pay dividends is at the discretion of the directors of the Company and will depend upon the financial condition, results of operations and capital requirements of the Company and such other factors as the directors of the Company consider relevant.

In connection with the DREAM Arrangement, the Preference Shares, Series 1 were cancelled and replaced with the Preference Shares, Series 4 in May, 2013. For further details, please refer to the Company's Management Information Circular filed in connection with the DREAM Arrangement, dated April 16, 2013, which is available under the Company's profile at www.sedar.com.

The following table discloses the dollar amount of cash dividends declared per share for the Series 1 Shares, Series 2 Shares and Series 4 Shares of the Company outstanding during the financial years ended December 31, 2013, 2012 and 2011:

Dividends per Outstanding Share	2013	2012	2011
Series 1 Shares	\$0.51854	\$1.25	\$1.25
Series 2 Shares	\$1.6875	\$1.6875	\$1.6875
Series 4 Shares	\$0.52197	-	-

MARKET FOR SECURITIES

SUBORDINATE VOTING SHARES

The Subordinate Voting Shares are currently listed and posted for trading on the TSX under the symbol DC.A. The Common Shares are not listed. The following table sets forth information relating to the price range and volume traded for the Subordinate Voting Shares on a monthly basis for each month in the fiscal year ended December 31, 2013:

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
January 2013	34.37	30.65	34.37	1,732,614
February 2013	35.62	33.16	34.35	727,658
March 2013	36.43	33.59	35.00	976,755
April 2013	37.75	33.82	37.67	2,849,407
May 2013	37.88	22.00	23.51	3,210,679
June 2013	23.98 ¹	20.32	21.18	3,776,802
July 2013	22.93	21.14	21.95	1,604,017
August 2013	23.70	19.44	19.82	1,134,531
September 2013	19.84	17.64	19.12	1,251,543
October 2013	20.11	18.60	19.99	2,001,122
November 2013	20.88	18.25	18.39	965,495
December 2013	18.95	17.89	18.69	1,713,677

¹ Please note disclosure below.

Immediately following completion of the DREAM Arrangement, shareholders of the Company held, through their ownership of shares of both Dundee Corporation and DREAM, the same proportionate voting and equity interest, directly or indirectly, in all of the assets held by the Company prior to completion of the DREAM Arrangement. The table below illustrates the distribution received by shareholders of the Company pursuant to the terms of the DREAM Arrangement.

Shares Held Prior to Completion of the Arrangement	Shares Received by Shareholders Pursuant to the Arrangement in each of:	
	Dundee Corporation	DREAM Unlimited Corp.
Dundee Corporation Class A Subordinate Voting Share	Dundee Corporation Class A Subordinate Voting Share (TSX: DC.A)	DREAM Unlimited Corp. Class A Subordinate Voting Share (TSX: DRM)
Dundee Corporation Class B Common Share	Dundee Corporation Class B Common Share (Non-listed)	DREAM Unlimited Corp. Class B Common Share (Non-listed)
Dundee Corporation \$25 - 5% Cumulative First Preference Share, Series 1	Dundee Corporation \$17.84 - 5% Cumulative First Preference Share, Series 4 (TSX: DC.PR.C)	DREAM Unlimited Corp. \$7.16 - 7% Cumulative Redeemable First Preference Share, Series 1 (TSX: DRM.PR.A)
Dundee Corporation \$25 - 6.75% Rate Reset First Preference Share, Series 2 (TSX: DC.PR.B)	n/a	n/a

Further details regarding accounting treatment and the fair value of the shares of DREAM distributed at the time of the DREAM Arrangement can be found in the 2013 MD&A.

5.85% DEBENTURES

The 5.85% Debentures, as defined in “*Description of Share Capital – Debentures*”, are currently listed and posted for trading on the TSX under the symbol DC.DB.

The following table sets forth information relating to the price range and volume traded for the 5.85% Debentures on a monthly basis for each month in the fiscal year ended December 31, 2013:

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
January 2013	128.00	124.50	128.00	580
February 2013	127.00	125.11	125.11	320
March 2013	-	-	-	-
April 2013	107.00	107.00	107.00	100
May 2013	103.98	103.98	103.98	90
June 2013	-	-	-	-
July 2013	-	-	-	-
August 2013	100.50	100.50	100.50	200

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
September 2013	101.50	101.01	101.50	500
October 2013	101.50	101.50	101.50	350
November 2013	101.50	101.50	101.50	10
December 2013	101.51	101.50	101.50	380

SERIES 1 SHARES

The Series 1 Shares were listed and posted for trading on the TSX until May 30, 2013 under the symbol DC.PR.A.

The following table sets forth information relating to the price range and volume traded for the Series 1 Shares on a monthly basis for each month from January 2013 to May, 2013:

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
January 2013	26.15	25.51	25.69	219,858
February 2013	26.16	25.43	25.89	264,811
March 2013	25.96	25.30	25.60	60,773
April 2013	25.73	25.45	25.60	198,389
May 1 – 30, 2013	25.60	25.07	25.48	368,461

SERIES 2 SHARES

The Series 2 Shares are currently listed and posted for trading on the TSX under the symbol DC.PR.B.

The following table sets forth the information relating to the price range and volume traded for the Series 2 Shares on a monthly basis for each month in the fiscal year ended December 31, 2013:

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
January 2013	26.40	25.85	26.02	95,549
February 2013	26.27	25.87	26.04	109,557
March 2013	26.48	25.57	25.69	78,169
April 2013	26.19	25.43	25.74	72,822
May 2013	26.11	25.60	26.07	66,896
June 2013	26.05	25.30	25.60	77,103

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
July 2013	25.65	25.13	25.50	58,156
August 2013	25.54	24.80	25.25	74,529
September 2013	25.64	24.91	25.19	73,665
October 2013	25.50	24.82	25.10	78,388
November 2013	25.56	25.01	25.36	186,174
December 2013	25.56	24.90	25.18	66,393

SERIES 4 SHARES

The Series 4 Shares commenced trading on the TSX on May 31, 2013 under the symbol DC.PR.C.

The following table sets forth the information relating to the price range and volume traded for the Series 4 Shares on a monthly basis for each month from June 2013 to December 2013:

Month	High Price (Cdn. \$)	Low Price (Cdn. \$)	Close Price (Cdn. \$)	Traded Volume
June 2013	18.20	16.89	17.15	237,375
July 2013	17.78	16.98	17.60	107,698
August 2013	17.55	17.00	17.25	105,478
September 2013	17.62	17.03	17.20	194,930
October 2013	17.45	17.06	17.16	141,459
November 2013	17.71	17.06	17.71	59,959
December 2013	17.75	17.15	17.69	57,931

DIRECTORS AND OFFICERS

NAMES, OCCUPATIONS AND SECURITY HOLDINGS

The following table sets forth the name and place of residence, position held with the Company and principal occupation of each of the directors and officers of the Company as of December 31, 2013. Directors of the Company hold office until the next annual meeting of shareholders of the Company or until their successors are elected or appointed.

Name and Place of Residence	Position Held in the Company	Director Since	Principal Occupation
Directors			
Normand Beauchamp ^{(1) (2)} Québec, Canada	Director	1991	President, Capital NDSL Inc., an investment company
Michael Cooper Ontario, Canada	Director	2009	President and Chief Executive Officer, DREAM Unlimited Corp., a real estate company
Daniel Goodman Ontario, Canada	Director	2013	President and Chief Executive Officer, GFI Investment Counsel Ltd.
David Goodman ⁽⁴⁾ Ontario, Canada	Director	2009	Director, Dundee
Jonathan Goodman ⁽⁴⁾ Ontario, Canada	Director	1996	President and Chief Executive Officer, Dundee Capital Markets
Mark Goodman Ontario, Canada	Executive Vice President and Director	2013	Executive Vice President, Dundee
Ned Goodman ⁽⁴⁾ Ontario, Canada	President, Chief Executive Officer and Director	1991	President and Chief Executive Officer and director, Dundee and Goodman & Company, Investment Counsel Inc.
Harold P. Gordon ⁽⁴⁾ Florida, U.S.A.	Chairman and Director	2000	Chairman, Dundee
Ellis Jacob ^{(1) (3)} Ontario, Canada	Director	2008	President and Chief Executive Officer, Cineplex Inc., an entertainment company
Dr. Frederick H. Lowy ⁽³⁾ Ontario, Canada	Director	1999	Retired
Garth A. C. MacRae ⁽¹⁾ Ontario, Canada	Director	1991	Retired
Robert McLeish ^{(1) (2) (3) (4)} Ontario, Canada	Lead Director	2002	Independent Consultant
K. Barry Sparks ⁽¹⁾ Ontario, Canada	Director	1993	President, Torvan Capital Group, a corporate advisory and management company
Jeremy Soames London, England	Director	2012	Chairman, Barbican Managing Agency Limited
A. Murray Sinclair, Jr. ^{(2) (4)} British Columbia, Canada	Director	2012	Chief Investment Officer, Earlston Investments Corp.
Non-Director Officers			
Sivan Fox Ontario, Canada	Vice President, Legal	N/A	Vice President, Legal, Dundee
Lili Mance Ontario, Canada	Corporate Secretary	N/A	Corporate Secretary, Dundee

Name and Place of Residence	Position Held in the Company	Director Since	Principal Occupation
Perina Montesano Ontario, Canada	Vice President, Internal Audit	N/A	Vice President, Internal Audit, Dundee
Kevin Ng Ontario, Canada	Vice President, Taxation	N/A	Vice President, Taxation, Dundee
Lucie Presot Ontario, Canada	Vice President and Chief Financial Officer	N/A	Vice President and Chief Financial Officer, Dundee
Naomi Ruby Ontario, Canada	Vice President, Human Resources	N/A	Vice President, Human Resources, Dundee

Notes:

- (1) Member of Audit Committee
- (2) Member of Compensation Committee
- (3) Member of Corporate Governance Committee
- (4) Member of the Executive Committee

Each of the foregoing individuals has held his or her present principal occupation or other executive offices with the same company or its predecessors or affiliates for the past five years, except for: (i) David Goodman, who prior to October 31, 2013, was on the advisory board of Scotiabank, Global Asset Management, and prior to that, was President and Chief Executive Officer of DundeeWealth Inc., and (ii) Jonathan Goodman, who prior to April 1, 2013, was President and Chief Executive Officer, Dundee Precious Metals Inc.

Mr. Gordon was a director of Great Northern Paper, Inc., a private U.S. corporation, until June 3, 2002, approximately seven months before such corporation filed for an arrangement under Chapter 11 of the U.S. Bankruptcy Code on January 9, 2003, followed by liquidation on May 22, 2003 pursuant to Chapter 7 of such Act. Mr. Beauchamp was a director of CINAR Corporation, a company which was, among other things, the subject of a cease trade order. Jonathan Goodman was a director of Tahera Diamond Corporation (“**Tahera**”) from August 2003 to September 29, 2008, which company filed for protection under the *Companies’ Creditors’ Arrangement Act* (Canada) with the Ontario Superior Court of Justice on January 16, 2008. On February 6, 2009, Tahera announced that it had made an application for the voluntary suspension of trading of its common shares on the TSX and on February 9, 2009 the TSX announced the voluntary suspension to be effective immediately and indicated the voluntary suspension would remain in effect until further notice.

As of December 31, 2013, the directors and senior officers of the Company as a group beneficially owned, directly or indirectly, or exercised control over, 6,188,940 Subordinate Voting Shares, representing approximately 14.06% of the outstanding Subordinate Voting Shares, and 3,087,456 Common Shares, representing approximately 99% of the outstanding Common Shares, in the aggregate representing approximately a 17.14% equity interest and approximately a 86.86% voting interest in the Company. In addition, Jodamada Corporation, a private company owned by Messrs. Daniel Goodman, Jonathan Goodman, David Goodman and Mark Goodman, owns in aggregate 6,388,006 Subordinate Voting Shares representing 12.53% of the Subordinate Voting Shares and a 1.76% voting interest.

As of December 31, 2013, Mr. Ned Goodman owned Subordinate Voting Shares and Common Shares representing approximately an 85.8% voting interest in the Company (which holdings are included in the aggregate holdings of the directors and officers of the Company noted above).

CONFLICTS OF INTEREST

Certain officers and directors of the Company are officers and directors of, or are associated with, other public and private companies. Such associations may give rise to conflicts of interest with the Company from time to time. The OBCA requires, among other things, the officers and directors of the Company to act honestly and in good faith with a view to the best interest of the Company, to disclose any personal interest which they may have in any material contract or transaction which is proposed to be entered into with the Company and, in the case of directors, to abstain from voting as a director for the approval of any such contract or transaction.

CORPORATE TRANSACTIONS

ACQUISITION AND DISPOSITION OF ASSETS

The Company conducts acquisitions and dispositions in the ordinary course of its business. Certain strategic and material acquisitions and dispositions are described in this AIF under the heading “*The Company – Business Highlights*”.

At any point in time, Dundee may be involved in various stages of discussions and/or negotiations to complete one or more transactions including acquisitions or dispositions directly or through its wholly or partially-owned subsidiaries which carry on certain of the Company’s activities and investments. These prospective transactions may be with respect to companies operating within existing businesses or business channels not yet identified or pursued by Dundee. In respect of any potential acquisition, the purchase price may be paid in cash, through the issue of securities of the Company or of a subsidiary of the Company or through a combination thereof and may be financed through debt, equity or internally financed. There can be no assurance that any of the transactions being discussed or negotiated will be completed. The Company may increase or decrease its interest in certain of its holdings, may combine or restructure certain of its holdings into new investment products or new stand-alone entities or may entirely dispose of certain of its holdings in the future. Accordingly, during any period, the market value of the Company’s holdings will vary and the amounts that are recorded as investment gains and losses may fluctuate significantly.

For additional information relating to the Company’s business, please see the 2013 MD&A which is available under the Company’s profile on SEDAR at www.sedar.com.

FINANCINGS

The Company may seek additional financing with one or more financial institutions or in the capital markets from time to time. The Company did not complete any public financings in 2013.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Pursuant to the DREAM Arrangement, the Company transferred its 70% interest in the common shares and Class C preference shares (the “**DRC Shares**”) of Dundee Realty to DREAM (a new public company), effectively distributing the majority of its interest in Dundee Realty to certain of its shareholders through their shareholdings in DREAM. On completion of the DREAM Arrangement, the Company owned, directly or indirectly, an approximate 28.57% interest in the total number of subordinate voting

shares and common shares of DREAM, thereby retaining a 20% interest in Dundee Realty. Sweet Dream Corp. (“**SDC**”) (a company owned by Mr. Michael Cooper, a director of the Company) retained its 30% interest in the DRC Shares. In addition and as part of the Arrangement, each of the Shareholders Agreement, the Permitted Sales Agreement and the Exchange Agreement (as each such term is defined and described below) was entered into.

A shareholders agreement (the “**Shareholders Agreement**”) made as of May 30, 2013 among DREAM, Dundee Realty, SDC, Mr. Michael Cooper and 0764704 B.C. Ltd. (“**076**”) (a subsidiary of the Company) became effective on completion of the DREAM Arrangement. The Shareholders Agreement (as amended and restated -- see below) governs the relationship of the shareholders of Dundee Realty, including in respect of board composition and other matters, the operation of the business, voting and the transferability of shares. Following the completion of the DREAM Arrangement and as of May 30, 2013, the Shareholders Agreement was amended and restated in connection with the sale by 076 of its then interest in Dundee Realty to DREAM Ventures Limited Partnership (“**DVLP**”) to remove 076, and to add DVLP, as a party thereto.

In connection with the Shareholders Agreement, a permitted sales agreement (the “**Permitted Sales Agreement**”) made as of May 30, 2013 among DREAM, Dundee Realty, SDC and Mr. Michael Cooper became effective on completion of the DREAM Arrangement. The Permitted Sales Agreement provides each of SDC and DREAM with the right, in certain circumstances, to require the other (at such other’s option) to acquire all of the DRC Shares held by SDC or DREAM, as the case may be, or to cause the sale of all of the DRC Shares or all of Dundee Realty’s assets. Also, an exchange agreement (the “**Exchange Agreement**”) made as of May 30, 2013 among DREAM, Dundee Realty and SDC became effective on completion of the DREAM Arrangement. The Exchange Agreement provides, in accordance with the terms thereof, SDC with the right to require DREAM to exchange the DRC Shares held by SDC for subordinate voting shares of DREAM representing 30% of the common equity of DREAM on a fully diluted basis, as well as other demand registration and piggy-back registration rights.

Further details regarding the DREAM Arrangement can be found in the Company’s Management Information Circular, dated April 16, 2013, filed under the Company’s profile at www.sedar.com.

RISK FACTORS

The following risk factors relating to Dundee are most likely to influence an investor’s decision to buy, sell or hold securities of the Company.

ASSET MANAGEMENT

Exposure to Fluctuations in Value of Equity Interests

The Company may hold proprietary positions in various entities, and the value of these holdings will be subject to market conditions, movements in stock prices and other conditions beyond the control of the Company.

Market Influences and Current Financial Conditions

Negativity in domestic and international capital markets may create challenges for the Company’s asset management subsidiaries. The volatility of capital markets is beyond the control of the Company and its subsidiaries, but may impact the Company’s overall profitability. Revenues from the Company’s asset management segment are based on the market values of assets under management generally determined using trading values of underlying securities in global markets. Any decline in the financial markets or lack of sustained growth in such markets may result in a corresponding decline in performance

and may adversely affect assets under management and assets under administration, fees and/or revenues and the market value of proprietary holds, which would reduce cash flow to the Company. The state of the capital markets in general and the unpredictability of the global economy may also affect clients' willingness to actively trade in capital markets, impacting commission revenues as well as trading and corporate finance activities of DSL.

Performance Based Fee Arrangements May Increase Volatility of Revenues

A portion of the Company's advisory and fee revenues may potentially be derived from performance fees. If the investment return of a particular fund or portfolio does not meet or exceed the investment return benchmark for a specific period no performance fees will be generated, and, if the performance fee is based on cumulative returns, the Company's ability to earn performance fees in the future may be impaired.

Market Risk in Trading Activities and Investments

Market risk is the potential for loss from an adverse movement in the value of a financial instrument. The Company incurs market risks in its trading positions, underwriting activities and in its portfolio of investment securities. DSL engages in various capital markets activities that are very sensitive to price fluctuations. These include active positioning of trading securities in anticipation of price movements and commitments to underwrite the issuance of securities. The Company's portfolio of corporate investments is also exposed to market risk from fluctuations in fair values.

The Company and designated affiliates manage market risk as part of their risk management framework, which comprises various controls and procedures to ensure that the risk exposures are monitored closely and that positions taken are duly authorized. These procedures and controls include:

- procedures for the mark to market valuation of positions to measure risk exposure, including procedures to assess market prices of positions which are not actively traded;
- setting of trading exposure limits and loss limits at DSL in compliance with its approved trading strategies, taking into account its trading experience, market volatility, the liquidity of the position, interest rates and its tolerance for market risk; and
- procedures to identify significant market risk concentration and risk exposure and to escalate the reporting of these risk positions to senior management and risk personnel for monitoring.

There can be no assurance that these controls and procedures will be effective or sufficient to manage or mitigate these market risks.

Competition

The Company operates in a highly competitive environment that includes other providers of asset and wealth management products and services such as banks, investment fund companies, financial advisors, investment dealers and insurance companies, some of which have greater financial or other resources than the Company. Competition is based on a wide range of factors including brand recognition, investment performance, the types of products offered by the competitor, business reputation, financial strength, continuity of institutional, management and sales relationships and quality of service. In order to remain competitive, the Company will continue to be innovative in the development of financial products and solutions, to monitor its investment performance and to provide the highest level of service to clients.

In addition, there may be competitive pressures from time to time to lower the fees that are charged for the Company's products and services. While the Company believes that its current fee structures are competitive with industry peers, changes to management fees, sub-advisory fees and performance rates,

will affect the operating results. There can be no assurance that the Company will maintain its current standing in the market or its current market share, and the business, financial condition and operating results of the Company may be adversely affected should circumstances change.

Regulatory and Litigation Risk

The regulatory operating environment for asset management and financial services operations in Canada continues to expand, becoming more extensive, onerous and complex. The Company supports regulatory changes that enhance the integrity and reputation of the industry and that protect the interests of its client base. Compliance personnel participate in the development of new legislation and regulations. New regulatory requirements, however, may involve changes to the way the Company currently conducts business or may increase the cost and associated profitability of its business. Laws and regulations applied at the national and provincial levels generally grant governmental agencies and self regulatory bodies broad administrative discretion over the activities of the Company's subsidiaries, including the power to limit or restrict such business activities. Possible sanctions include the revocation or imposition of conditions on licenses or registrations to operate certain businesses, the suspension or expulsion from a particular market of any of the Company's business segments or their key personnel or financial advisors, and the imposition of fines. There is also the potential that the laws or regulations governing the Company's operations or particular investment products or services could be amended or interpreted in a manner that is adverse to business activities. The Company believes that its ability to comply with all applicable laws and regulations, including emerging changes, is dependent upon the establishment, implementation and maintenance of extensive compliance policies and procedures.

Regardless of its effectiveness in monitoring and administering established compliance policies and procedures, the Company, and any of its directors, officers, employees and agents, may be subject to liability or fines that may limit our ability to conduct business. The Company maintains various types of insurance to cover certain potential risks and continuously evaluates the adequacy of this coverage. In recent years, the cost of obtaining insurance has increased while the number of insurance providers has decreased. As a result of the introduction of the secondary market civil liability regime, the ability to obtain insurance on reasonable economic terms may be even more difficult in the future.

Commitment of Key Personnel and Financial Advisors

The Company's strategic focus is dependent on the abilities, experience and efforts of the members of its executive team. Accordingly, the recruitment and retention of competent personnel and continuous training and transfer of knowledge are key activities that are essential to the Company and its subsidiaries' performance.

Capital Requirements

GCIC, DSL and Dundee Securities Inc. operate in regulated environments and are subject to minimum regulatory capital requirements. Accordingly, they may be required to keep sufficient cash and other liquid assets on hand to maintain capital requirements. Although each regulated entity currently has sufficient capital, growth of the business may necessitate additional capital requirements and the failure to maintain required regulatory capital may subject the relevant registrant to fines, suspension or revocation of registration or could prohibit the Company from expanding. In certain instances, regulatory capital requirements may increase due to a change in the market value of securities held, some of which are beyond our control. The Company monitors the level of regulatory capital required in each of its business units on an ongoing basis to ensure minimum requirements are met.

Operational Risk

Operational risk is generally regarded as the risk of loss resulting from insufficient or failed internal processes, people and systems or external events. Operational risk is inherent in the activities of financial institutions, and includes incorrect or unauthorized trade execution, failed settlement and

transaction processing, documentational errors, fiduciary breaches, improper disclosures involving securities and investment management activities, theft and fraud. The impact of any of these can result in significant financial loss, reputational harm, and regulatory censure and penalties. While operational risks cannot be eliminated, they can be managed with proper internal control processes and procedures and the deployment of qualified personnel. The Company has established a framework for operational risk management that includes procedures and control measures, the deployment of qualified and competent compliance and audit personnel, a process for regular review of controls by senior management and the use of external insurance coverage where appropriate.

Business Infrastructure

The Company and its business units rely on third-party service providers for key components of their respective business infrastructure, including the brokerage accounting system in its investment dealer operations, the unit holder and fund accounting systems in its investment management business, as well as critical data connections for trade execution and business communications. A failure of any key component of its infrastructure could result in significant disruptions to the business and could have a materially adverse effect on results of operations. While the Company has addressed this risk by instituting various procedures and plans for business continuity and redundancy, there can be no assurance that material disruptions can be averted in the event of a failure of a key component.

Credit Risks in Securities Transactions

The Company is exposed to the risk that third parties owing cash, securities or other assets, may not fulfill their obligations, due to lack of liquidity, bankruptcy, operational failure or other causes. These parties include trading counterparties, customers, clearing agents, exchanges, clearing houses, other financial intermediaries and issuers whose securities are held by the Company or its subsidiary. Credit risks associated with customers include amounts loaned in margin accounts. While DSL reviews its credit exposure to specific clients, counterparties and other debtors, default risk may arise from events or circumstances that are otherwise difficult to detect. DSL also reviews the type and value of securities held as collateral for margin loans. An unexpected decline in the value of any such securities held as collateral may expose DSL to additional credit losses.

Risks of Underwriting Activities

The underwriting business operated by DSL involves both economic and regulatory risks. Underwriting activities may decline for a number of reasons, impacting our revenues. An underwriter may incur losses if it is unable to resell the securities it is committed to purchase or if it is forced to liquidate its commitment at less than the agreed purchase price. DSL may also be subject to liability for material misstatements or omissions in prospectuses and other communications with respect to underwritten offerings and may be exposed to claims and litigation arising from such offerings.

REAL ESTATE

Real Estate Ownership

Real estate ownership is generally subject to numerous risks, including changes in general economic conditions such as the availability and cost of mortgage funds, local economic conditions such as an oversupply of office, industrial and retail properties or a reduction in demand for real estate in the area, the attractiveness of properties to potential tenants or purchasers, the ability of tenants to meet their lease obligations, competition for available space and other factors.

Illiquidity of Real Estate Investments

An investment in real estate is relatively illiquid. Such illiquidity will tend to limit our ability to vary our real estate portfolio promptly in response to changing economic or investment conditions. In recessionary

times it may be difficult to dispose of certain types of real estate. The costs of holding real estate are considerable and, during an economic recession, we may be faced with ongoing expenditures with a declining prospect of incoming receipts. If we are unable to refinance our mortgages on acceptable terms, or at all, we may need to dispose of one or more of our real estate assets. In such circumstances, it may be necessary for us to dispose of properties at lower prices in order to generate sufficient cash for operations on a timely basis. Additionally, financial or operating difficulties of other owners resulting in distress sales could depress asset values in the markets in which we operate in times of illiquidity. These conditions could reduce our ability to respond to changes in the performance of our real estate investments and accordingly, could adversely affect the financial condition and results of operations of our real estate subsidiaries.

Market Influences

As a result of market conditions, real estate focused issuers in which the Company invests (the “**Real Estate Investees**”) may not be able to, or may not wish to develop their land holdings. Development of land holdings and properties that are to be constructed are subject to a variety of risks, not all within the Company’s control. Such risks include lack of funding, variability in development costs and unforeseeable delays.

Regulatory and Environmental Risks

Real Estate Investees are subject to various federal, provincial and state laws relating to environmental matters. Such laws provide that it could be liable for the costs of removal and remediation of certain hazardous, toxic substances released on or in its properties or disposed of at other locations, as well as potentially significant penalties. The Real Estate Investees have insurance and other policies and procedures in place to review and monitor environmental exposure, which it believes mitigates these risks to an acceptable level. Some of the properties owned by the Real Estate Investees currently have or have had tenants that use hazardous substances or create waste. Such uses can potentially create environmental liabilities. A few issues have been identified through site assessments, including the need to remediate or otherwise address certain contaminations. These issues are being carefully managed with the involvement of professional consultants. Where circumstances warrant, designated substance surveys and/or environmental assessments are conducted. Although environmental assessments provide some assurance, the Real Estate Investees may become liable for undetected pollution or other environmental hazards on its properties against which it cannot insure, or against which it may elect not to insure where premium costs are disproportionate to the Real Estate Investees’ perception of relative risk. The Company understands that the Real Estate Investees do not currently anticipate material expenditures in respect of any required remediation.

Credit Risk

Real estate investments are often made as joint ventures or partnerships with third parties. These structures involve certain additional risks, including the possibility that the co-venturers/partners may, at any time, have economic or business interests inconsistent with Real Estate Investees’, the risk that such co-venturers/partners could experience financial difficulties which could result in additional financial demands on the Real Estate Investees to maintain and operate such properties or repay debt in respect of such properties, and the need to obtain the co-venturers’/partners’ consents with respect to certain major decisions in respect of such properties. The Real Estate Investees attempt to mitigate these risks by performing due diligence procedures on potential partners and contractual arrangements, and by closely monitoring and supervising the joint venture or partnership.

Development Risks

In connection with its real estate operations, the Real Estate Investees must comply with extensive regulations affecting the real estate development process. In particular, governmental authorities regulate such matters as zoning and permitted land uses, levels of density, and building standards. The Real Estate Investees must obtain approvals from various governmental authorities and comply with local

provincial and federal laws, including laws and regulations concerning the protection of the environment in connection with such development projects. Obtaining such approvals and complying with such laws and regulations may result in delays which cause the Real Estate Investees to incur additional costs which impact the profitability of a development project, or may restrict development activity altogether with respect to a particular project.

As well, the Company's real estate operations are impacted by its ability to hire and retain sufficient skilled and experienced contractors required to develop its real estate projects in a cost effective and timely manner. An inability to hire or retain skilled workers or changes in the relationship with its workforce could result in work stoppages which may have a material adverse effect on the profitability of its real estate development activities.

The Company's real estate development activities are also sensitive to the credit and financial stability of counterparties. The Company's earnings would be adversely affected if purchasers of real estate properties or land and housing holdings were to become unable or unwilling to meet their obligations to the Real Estate Investees or if the Real Estate Investees are unable to close the sale of a significant number of units in a development project on economically favourable terms. This could have an adverse impact on the Real Estate Investees' liquidity and could reduce its ability to pursue further acquisitions or meet other financial obligations. If there are significant adverse changes in economic or real estate market conditions, the Real Estate Investees may have to sell properties at a loss or hold undeveloped land or developed properties in inventory longer than planned. Inventory carrying costs can be significant and may result in losses in a poorly performing project or market.

Operational Risk

The Real Estate Investees revenue properties and Dundee REIT's portfolio of properties generate income through rent received from tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. Certain significant obligations, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made regardless of whether or not a property is producing sufficient income to pay such expenses. Upon the expiry of the term of the financing of any particular property, refinancing may not be available or may not be available on reasonable terms. Distributions from the Real Estate Investees are not guaranteed and may fluctuate with their financial performance.

Capital Requirements

Our real estate assets may be financed through debt. Upon the expiry of the term of the financing of any particular property, refinancing may not be available or may be available only on terms less favourable to us than existing financing. Our real estate operations may require additional financing in order to grow and expand.

RESOURCES

The Resources Industry

The resources industry is highly competitive and involves a number of risks. Revenues and profits depend on market prices for resource commodities, which can fluctuate materially. Adverse fluctuations can have a significant negative effect on our revenues and profitability and the revenues and profitability of our resource investees. Resource mining and exploration involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding that could result in damage to life or property, environmental damage and possible legal liability. It is also highly capital intensive and the ability to complete a development or exploration project may be dependent on the entity's ability to raise additional capital. Adverse global markets may impact our ability and that of our resource based subsidiaries and equity accounted investees, to obtain equity or

debt financing in the future and, if obtained, on favourable terms. In certain cases, this may be achieved only through joint ventures or other relationships that would reduce the entity's ownership interest in the project. There is no assurance that additional resources or reserves in commercial quantities will be discovered, or that development operations will prove successful.

In addition, many of our equity accounted investments are early stage resource exploration and development issuers that require significant upfront capital to extract resources. They are dependent upon equity markets to fund their activities, and attracting such funding tends to be dependent upon posting positive results from exploration activities. Consequently, our equity investments in such early stage exploration and development issuers are subject to significant uncertainty, market risk and price volatility.

Risks Relating to the Oil and Gas Operations of the Company's Subsidiaries

Oil and natural gas operations involve many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long term commercial success of the Company's investment in Dundee Energy and Eurogas International Inc. depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. There is no certainty that the expenditures incurred on such exploration properties will result in discoveries of commercial quantities of oil or gas. Without the continual addition of new reserves, existing reserves and the production therefrom will decline over time as existing reserves are exploited. Future increases in Dundee Energy's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that it will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, management of the Corporation may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic.

The process of estimating oil and gas reserves is complex and involves a significant number of assumptions in evaluating available geological, geophysical, engineering and economic data. Therefore, reserves estimates are inherently uncertain. These evaluations include many factors and assumptions such as historical production from the properties, production rates, ultimate recovery of reserves, timing and amount of capital expenditures, marketability of oil and gas, royalty rates, future prices of oil and natural gas, operating costs and the assumed effects of regulation by governmental agencies, all of which may vary materially from actual results and many of which are beyond our control. For those reasons, estimates of the economically recoverable oil and natural gas reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues associated with reserves prepared by different engineers, or by the same engineers at different times, may vary. Actual production, revenues, taxes and development and operating expenditures with respect to its reserves will vary from estimates thereof and such variations could be material.

Competition

The resources industry is competitive in all its phases. The Company's resource investees compete with numerous other participants in the search for the acquisition of mining and oil and natural gas properties and in the marketing of the resulting products. A resource investee's ability to increase reserves in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for exploratory drilling. Competitive factors in the distribution and marketing of resource products include price and methods of reliability of delivery. Competition in the resources industry includes companies which have greater financial resources, staff and facilities than those of the Company's investees. Our investees may not be fully insured against all risks relating to their operations and some of those risks may not be insurable.

Insurance

Resource operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering and oil spills, each of which could result in substantial damage to production facilities or other property and the environment, or in personal injury. As is the case with other participants in the resources industry, the Company's resource investees are not fully insured against all of these risks, nor are all such risks insurable. Although the Company's resource investees maintain liability insurance in an amount which they consider adequate and consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the investees could incur significant costs that could have a material adverse effect upon its financial condition.

Political and Regulatory

Many of our resource investees operate in jurisdictions which cause their operations to be subject to business risks inherent in those jurisdictions, in addition to the business risks which are generally characteristic of the resources industry. Varying government policies, receipt and maintenance of necessary permits and title to properties, imposition of special taxes or similar charges by regulatory bodies, foreign exchange rate fluctuations and controls, access to capital markets, civil disturbances, deprivation or unenforceability of contract rights or the taking of property without fair compensation, lack of adequate infrastructure and credit risk may impact these operations. It is important that the entities operating in foreign jurisdictions maintain good relationships with the governments of such jurisdictions. This may not be possible if the government of a country changes.

Certain regions in which our investee companies operate have historically been subject to political and economic instability. The increased levels of instability and civil unrest in the middle east and north Africa in recent months highlights the potential risks associated with the foreign operation of the Company, its subsidiaries and equity investees. Operating in foreign jurisdictions may necessitate capital expenditures being denominated in several different currencies, while the Company is reporting in Canadian dollars. Fluctuations in the rates of exchange may affect the ability of investee companies to carry out their exploration and development programs. Future development costs may be higher than currently envisioned due to unforeseen events such as currency fluctuations.

Environmental, Health and Safety Regulations

Environmental, health and safety legislation affects nearly all aspects of the Company's and its resource investees' operations including mine development, worker safety, waste disposal, emission controls and protection of endangered and protected species. Compliance with environmental, health and safety legislation can require significant expenditures and failure to comply with environmental, health and safety legislation may result in the imposition of fines and penalties, the temporary or permanent suspension of operations, clean-up costs arising out of contaminated properties, damages and the loss of important permits. Exposure to these liabilities arises not only from existing operations, but from operations that have been closed or sold to third parties. The companies engaged in resource activities may be required to reclaim properties after mining is completed and specific requirements vary among jurisdictions. In some cases, financial assurances as security for reclamation costs may be required which may exceed estimates for such costs. The Company and its resource investees may also be held liable for worker exposure to hazardous substances and for accidents causing injury or death. There can be no assurances that the Company or its resource investees will at all times be in compliance with all environmental, health and safety regulations or that the steps to achieve compliance would not have a materially adverse effect on our business.

Environmental, health and safety laws and regulations are evolving in all jurisdictions where the Company operates. The Company is not able to determine the specific impact that future changes in environmental, health and safety laws and regulations may have on our resource operations and activities, and our resulting financial position; however, we anticipate that capital expenditures and

operating expenses will increase in the future as a result of the implementation of new and increasingly stringent environmental, health and safety regulations. For example, emissions standards are expected to become increasingly stringent as are laws relating to the use and production of regulated chemical substances. Further changes in environmental, health and safety laws, new information on existing environmental, health and safety conditions or other events, including legal proceedings based upon such conditions or an inability to obtain necessary permits, could require increased financial reserves or compliance expenditures or otherwise have a material adverse effect on the Company's resource investees.

Commodity Prices

Commodity prices, including oil and natural gas prices, are unstable and subject to fluctuations. Any material decline in prices could result in a reduction in the revenues of our resource investees. The economics of producing from some wells may change as a result of lower prices. From time to time, resource investees may enter into agreements to fix prices on their production to mitigate these risks; however, this will not permit them to benefit from future increases in commodity prices. The market prices of securities of resource companies have experienced volatility in the past, often based on factors unrelated to the financial performance or prospects of the underlying company, which include general economic conditions and cycles and macroeconomic developments.

Skilled Labour, Reliance on Operators and Availability of Equipment

The resources industry involves risks regarding labour and employment matters. To the extent that the Company is not the operator in its projects, the Company will be dependent on such operator for the timing of activities related to such projects and will largely be unable to direct or control the activities of the operator. The Company's success will therefore be dependent, in part, upon the performance of its joint venture partners, key managers, service providers and consultants. Currently, the mining industry is generally facing a shortage of skilled labour as well as a lack of availability of suitable mining equipment. If resource companies are unable to hire and retain sufficient skilled employees, the ability to operate optimally will be impaired. As a consequence of the Company's dependence on the services of senior management and a small number of highly skilled and experienced executives and personnel, the loss of such key personnel could have a material adverse effect on the Company's resource operations. Adverse changes in the scheme of labour relations which may be introduced by governmental authorities may also have a material effect on the business, results of operations and financial condition.

Resource activities are also dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company's resource investees and may delay exploration and development activities. In addition, equipment failures may occur which could result in injuries and/or exploration and development delays. To the extent that the Company's resource investee is not the operator of its resource properties, it will be dependent on such operators for the timing of activities related to such properties and will be largely unable to direct or control the activities of the operators.

GENERAL BUSINESS RISKS

Risk of Sustained Economic Downturn

Despite recent improvements in global capital markets, fears of a sustained economic downturn remain, characterized by higher unemployment, lower commodity prices, lower family incomes and corporate earnings, lower consumer spending and business investment, which could have a myriad of effects on the Company's business, including reduced demand for investment products; decreased demand for real estate properties and decreases in resource prices. Moreover, these economic conditions, if realized, will impact the risk profile of many of the other financial and market risks described below.

A prolonged economic downturn may also give rise to a higher level of strategic risks including those associated with industry restructuring, new competitive dynamics and significant changes in the legal, regulatory and tax regimes in which the Company's businesses operate.

Reputational Risk

Reputational risk is the potential that adverse publicity, whether true or not, will or may cause a decline in earnings, liquidity, share price or client base due to its impact on our corporate image. Reputational risk is inherent in virtually all of our business transactions, even when the transaction is fully compliant with legal and regulatory requirements. Reputational risk cannot be managed in isolation, as it often arises as a result of operational, regulatory and other risks inherent to our business. For these reasons, our framework for reputational risk management is integrated into all other areas of risk management and is a key component of the codes of business conduct and ethics of which our employees are expected to observe. We place a high emphasis on safeguarding our reputation, as once compromised, it can be difficult to restore.

Investing in a Variety of Industry Sectors

Our investments are in a variety of industry sectors and therefore, each investment will be subject to specific risks inherent in the unique business environment in which it operates. In the case of equity accounted investments, we are required to record our share of income or loss from these investments and related dilutions and accordingly, our earnings are affected by these amounts. Further, to the extent that the investment is a public company, the investment is subject to market forces which may fluctuate beyond our control. Certain of our private company holdings are illiquid and disposition may be difficult. We may realize lower proceeds of disposition in the event that we are required to dispose of an investment at a point in time when market prices are low.

Capital Requirements

The Company and/or its subsidiaries may be required to raise additional debt or equity funds through public or private financing, strategic relationships or other arrangements for a variety of purposes, including business acquisitions, to capitalize on unanticipated opportunities, as well as to respond to competitive pressures. Continued disruption in the financial markets may limit the Company's access to capital in the event that the Company is required to seek additional liquidity to operate its business. Additional equity funding in investee companies may reduce the percentage ownership interest of the Company in such investee companies and may cause the Company to lose its majority or significant influence stake. Additional equity funding of the Company may reduce the percentage ownership of the existing shareholders of the Company and may dilute net book value per share. It is also possible that any such equity funding may involve securities which have rights or privileges senior to those of existing shareholders or that any debt financing, if available, may involve restrictive covenants with less desirable terms or maturities which could decrease future profitability and financial flexibility. There can be no assurance that such additional funding, if needed, will be available on economic terms, or at all. These developments may also impair the Company's ability to renew its current credit facility on favourable terms, resulting in increased costs to the Company.

Compliance with Debt Covenants

The Company and its subsidiaries' current credit facilities contain restrictive covenants that may limit the discretion of the Company with respect to certain business matters. These covenants place restrictions on, among other things, the ability of the Company and certain of its subsidiaries to create liens or other encumbrances, to make certain other payments, loans and guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity. In addition, the credit facility contains a number of financial covenants that require the Company to meet certain ratios and financial condition tests. A failure to comply with the obligations in the Company's credit facility could result in a default which, if not cured or waived, could result in an acceleration of the relevant indebtedness.

Corporate Insurance

Regardless of our effectiveness in monitoring and administering established compliance policies and procedures, the Company, and any of its directors, officers, employees and agents, may be subject to liability or fines which may limit the ability of each to conduct business. We maintain various types of insurance to cover certain potential risks and continuously evaluate the adequacy of this coverage. In recent years, the cost of obtaining insurance has increased significantly. In addition, because of a reduction in the number of insurance providers as a result of a number of companies exiting the market, there can be no assurance that certain insurance coverage will be obtainable on economic terms in the future. As a result of the introduction of the secondary market civil liability regime, the ability to obtain insurance on reasonable economic terms may be even more difficult in the future. To date, we have chosen not to obtain directors' and officers' insurance.

Foreign Country Risk

The Company has or may establish foreign operations, including the United States, Europe, Africa, Asia and the Middle East. International operations are subject to certain risks inherent in doing business abroad, including:

- political and economic instability;
- tax risks;
- currency exchange rates and currency controls;
- insufficient infrastructure;
- restrictions on foreign investment; and
- increases in working capital requirements related to foreign operations.

Expanding our business in emerging markets is an important element of our business strategy and as a result, our exposure to foreign country risk described above may be greater in the future. The likelihood and potential effects on the Company varies from country to country and is unpredictable; however, any such occurrences could have an adverse effect on our profitability.

The Ability to Execute Business Plans, Integration and Management of Growth

The Company's growth strategy has relied in part on acquisitions and the associated realization of operating synergies. A successful acquisition requires the Company to identify suitable candidates for purchase on acceptable terms and the acquired business to be successfully integrated in a timely and non-disruptive manner designed to minimize the risk of loss of client business. Even with the investment of management and financial resources, an acquisition may not produce the anticipated revenue, earnings or business synergies anticipated at the time of acquisition. In addition, acquisitions can involve non-recurring charges and if not successful, the write-off of amounts of goodwill and other intangible assets that could have an adverse effect on the financial results of the Company. Management performs an extensive review of the value of goodwill and other intangible assets on an ongoing basis. There can be no assurance that the Company will not incur significant costs in the future in connection with such potential liabilities.

The Company may also be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Litigation Risk

Litigation risk is inherent in each of the business lines of the Company as well as in operations that may be acquired by the Company. Litigation risk cannot be eliminated, even if there is no legal cause of action. The legal risks facing the Company, its directors, trustees, officers or employees in this respect include the potential liability for violations of securities laws, breach of fiduciary duty and misuse of investors' funds. In addition, the existence of the secondary market and the civil liability regime in certain jurisdictions may facilitate dissatisfied shareholders to make claims against the Company.

Controlling Shareholder Risk

The Company's business and affairs are controlled by Mr. Ned Goodman, who directly or indirectly, owns shares representing approximately 99% of the votes attached to the Class B Common Shares and approximately 85.8% of the votes attached to all of the Company's shares in aggregate.

Possible Volatility of Stock Price

The market price of the Company's shares has been, and may in the future be, subject to significant fluctuation in response to numerous factors, including variations in the annual or quarterly financial results of its subsidiaries or their competitors, the timing of announcements of acquisitions by its subsidiaries or their competitors, conditions in the economy in general or in the financial services, real estate, or resources sectors in particular, changes in applicable laws and regulations, rumours and speculation, and other factors. Moreover, from time to time, the stock market experiences significant price and volume volatility that may affect the market price of the Company's shares for reasons unrelated to the performance of the Company or its subsidiaries. No prediction can be made as to the effect, if any, that future sales of shares or the availability of shares for future sale (including shares issued under share based compensation arrangements) will have on the market price of the shares existing from time to time. Sales of substantial quantities of such shares or the perception that such sales could occur, could adversely affect the price of the shares.

Information System Risk

The Company depends on a variety of information systems to operate effectively. A failure of any one of the information systems or a failure among the systems could result in operational difficulties, damage or loss of data, productivity losses or result in unauthorized knowledge and use of information.

Taxation

The Company may be subject to taxation in the jurisdictions in which it operates. Any changes in tax legislation and practice in these jurisdictions could adversely affect the Company.

Potential Conflicts of Interest

Certain of the directors or officers of the Company and its subsidiaries are also directors or officers of companies that are in competition with the interests of the Company. No assurances can be given that opportunities identified by such board members will be provided to the Company.

Other

The Company cautions that the preceding discussion of factors that may affect future results is not exhaustive. The Company's performance may also be affected by other specific risks that may be highlighted from time to time in public filings of the Company or its subsidiaries which may be available on the Canadian Securities Administrators' website at www.sedar.com. Investors and others should carefully consider these factors, as well as other uncertainties, assumptions and industry and company specific factors that may adversely affect future results. The Company assumes no obligation, except as required

by law, to update or revise its risk disclosure to reflect new events or circumstances.

MATERIAL CONTRACTS

Other than contracts eligible for the ordinary course of business filing exemption, the only material contracts entered into by the Company in the fiscal year ended December 31, 2013 or prior to 2013 but after 2003 which remain in effect are as follows.

1. The 5.85% Trust Indenture, as described under “*Description of Share Capital – Debentures – 5.85% Exchangeable Unsecured Subordinated Debentures.*”
2. The Arrangement Agreement, dated April 12, 2013, as amended, among Dundee Corporation, DREAM Limited, Dundee Realty Corporation and Sweet Dream Corp. providing for, among other things, the terms of the DREAM Arrangement, the conditions to the completion of the DREAM Arrangement, actions to be taken prior to and after the effective date of the DREAM Arrangement and certain indemnities.

Copies of the above material contracts are available for inspection on SEDAR at www.sedar.com.

TRANSFER AGENT AND REGISTRAR

The Company’s registrar and transfer agent is Computershare Investor Services Inc., Toronto, Ontario.

EXPERTS

The financial statements for the financial year ended December 31, 2013 have been audited by PricewaterhouseCoopers LLP, the Company’s auditors who are independent in accordance with the auditors’ rules of professional conduct in Canada.

AUDIT COMMITTEE

COMPOSITION OF AUDIT COMMITTEE

As at December 31, 2013, the audit committee of the directors of the Company (the “**Audit Committee**”) was composed of the following persons:

K. Barry Sparks (Chairman)

Normand Beauchamp
Garth A. C MacRae
Robert McLeish
Ellis Jacob

The directors of the Company have determined that each of the members of the Audit Committee is independent and financially literate within the meaning of Multilateral Instrument 52-110 Audit Committees. Financial literacy is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

RELEVANT EDUCATION AND EXPERIENCE OF AUDIT COMMITTEE MEMBERS

The education and experience of each Audit Committee member that is relevant to such member's responsibilities as a member of the Audit Committee are set out below:

K. Barry Sparks

Mr. K. Barry Sparks, B. Comm., FICB, has served as a director of the Company since April 1993 and as Chairman of the Audit Committee since 1998. Mr. Sparks commenced his career in corporate finance with the Royal Bank of Canada where he served until 1984, leaving as Vice President, Government and Business, Ontario. Since then he has provided corporate advice and management services through several companies. Mr. Sparks is President of Torvan Capital Group which, during 2005, became a division of Ashley Park Enterprises Inc. Mr. Sparks is President and a director of Cencotech Inc., a director of Muskrat Minerals Inc., and has been the Chief Financial Officer of a private Canadian operating corporation for over 19 years.

Normand Beauchamp

Mr. Normand Beauchamp has served as a director of the Company since its inception in October 1991. Since 1960, he has been active in different areas of the Canadian broadcasting industry, operating and developing radio and television stations and networks. In 1985, he acquired Radiomutuel Inc., a publicly traded communications company, and became President, Chairman and Chief Executive Officer. Mr. Beauchamp is President of Capital NDSL Inc., an investment company, and is also a trustee of BTB Real Estate Investment Trust.

Garth A. C. MacRae

Mr. Garth A. C. MacRae, Chartered Accountant, has served as a director of the Company since its inception in October 1991 and served as Vice Chairman from June 1993 until March 2004. Mr. MacRae has over 19 years of public accounting experience and has held executive positions with Hudson Bay Mining, Brinco Limited and Denison Mines Limited. Mr. MacRae is currently a director of Dundee Precious Metals Inc., Dundee Energy Limited, GeneNews Limited, and Uranium Participation Corporation.

Robert McLeish

Mr. Robert McLeish, B. Comm. and CFA, has served as a director of the Company since March 2002. Mr. McLeish is a consultant who has over 40 years of experience in the investment business. Mr. McLeish has been a member of various committees of the TSX, including the Conflicts of Interest Committee. Mr. McLeish is a director of Airboss of America Corp. a former director of the Juvenile Diabetes Research Foundation.

Ellis Jacob

Mr. Ellis Jacob, C.M. and MBA, has served as a director of the company since June 2008. Mr. Jacob has 26 years of experience in the motion picture exhibition industry, is Director, President and Chief Executive Officer of Cineplex Inc. and its subsidiaries. Prior to his current role, he was President and Chief Executive Officer of Galaxy Entertainment Inc., which he co-founded in 1999. Mr. Jacob is currently a director and Chairman of the audit committee of Husky Injection Molding Systems Ltd., a director and Member of the finance and audit committee of Baycrest Hospital and has been a member of several company boards and audit committees. In December 2010, Mr. Jacob was appointed a Member of the Order of Canada. Mr. Jacob also holds the following professional designations: FCPA, FCA, FCMA and ICD.D.

AUDIT COMMITTEE CHARTER

The responsibilities and duties of the Audit Committee are set out in the Audit Committee's charter, the full text of which is attached as Appendix "A" hereto.

PRE-APPROVAL POLICY

In November 2003, the directors of the Company, upon the recommendation of the Audit Committee, approved a formal policy which provides for the pre-approval by the Audit Committee or one of its members of all permitted non-audit services to be performed by the external auditor of the Company. Requests for pre-approval for permitted non-audit services are considered by the Audit Committee at its regularly scheduled meetings and by the Chairman of the Audit Committee between Audit Committee meetings, in which case, such matters are subsequently reported thereon at the next scheduled Audit Committee meeting. Since the implementation of this policy, all permitted non-audit services have been pre-approved in accordance with the provisions of the policy.

EXTERNAL AUDITOR SERVICE FEES

During 2013 and 2012, the Company (and its subsidiaries that were audited by the Company's external auditor) paid the following fees to the Company's external auditors, for the following fee categories:

Fee Category	2013 (\$)	2012 (\$)
Audit Fees	1,679,450	1,843,787
Audit-Related Fees	346,813	302,000
Tax Services Fees	179,604	314,800
Other Fees	440,000	75,000
TOTAL	2,645,867	2,535,587

Audit Fees

Audit fees include all fees paid to the Company's external auditor for the audit of the Company's consolidated financial statements and other required statutory/regulatory audits and filings of the Company and certain of its subsidiaries.

Audit-Related Fees

Audit-related fees include all fees paid to the Company's external auditor for audit-related services including the review of the Company's interim financial statements, preparation and/or review of certain filings with Canadian securities regulators, including comfort and consent letters, and accounting consultations on matters addressed during the audit and interim reviews.

Tax Services Fees

Tax services fees include all fees paid to the Company's external auditor for tax-related advice including tax return preparation and/or review and tax planning advice.

Other Fees

Other fees include fees for products and services provided by the Company's auditors other than the services included in "Audit Fees", "Audit-Related Fees" and "Tax Services Fees".

ADDITIONAL INFORMATION

Additional information with respect to the Company, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Company's management information circular for its most recent annual meeting of shareholders. Additional financial information is provided in the Company's audited consolidated comparative financial statements and notes to the audited consolidated financial statements and the Company's 2013 MD&A. Additional information relating to the Company has been filed with the securities regulators in Canada and may be accessed on SEDAR at www.sedar.com.

APPENDIX "A"

AUDIT COMMITTEE CHARTER

Organization

This Charter governs the operations of the Audit Committee. The Board of Directors shall appoint an Audit Committee (the "Committee") of at least three members, consisting entirely of independent directors of the Board, and shall designate one member as chairperson or delegate the authority to designate a chairperson to the Committee. For purposes hereof, members shall be considered independent as long as they satisfy all of the independence requirements for Board Members as set forth in the applicable stock exchange listing and securities commission standards.

Each member of the Committee shall be financially literate, or become financially literate within a reasonable period of time.

The Committee shall meet at least quarterly in addition to a meeting for audit planning purposes. The Committee shall meet separately and periodically with management, internal audit and with the independent auditors. The Committee shall report regularly to the Board of Directors with respect to its activities.

Purpose

The purpose of the Committee shall be to:

- Provide assistance to the Board of Directors in fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to: (i) the integrity of the Company's financial statements; (ii) the Company's compliance with legal and regulatory requirements; and (iii) the independent auditors' qualifications and independence;
- Provide the Audit Committee report that Canadian securities laws require to be included in the Company's annual information form.

The Committee shall retain and compensate such outside legal, accounting, or other advisors, as it considers necessary in discharging its oversight role.

In fulfilling its purpose, it is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, internal audit and management of the Company, and to determine that all parties are aware of their responsibilities.

Duties and Responsibilities

The Committee has the responsibilities and powers set forth in this Charter. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company and for implementing and maintaining internal control over financial reporting. The independent auditors are responsible for auditing the Company's financial statements and for reviewing the Company's unaudited interim financial statements.

The Company's internal auditor will report to the Chief Financial Officer on a day to day basis but will also have a direct reporting line to the Chair of the Committee. The Committee shall approve the internal auditor's mandate which shall be reviewed annually.

The Company believes that, in carrying out the Committee's responsibilities, its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee will take appropriate actions to set the overall corporate "tone" for quality financial reporting and ethical behaviour.

The following shall be the principal duties and responsibilities of the Committee. These are set forth as a guide with the understanding that the Committee may supplement them as appropriate.

- The Committee shall be responsible to advise the Board, for the Board's recommendation to shareholders, in respect of the appointment, compensation and retention of the independent auditors
- The Committee shall be directly responsible for the oversight of the work of the independent auditors (including resolution of disagreements between management and the auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the listed issuer, and the independent auditors must report directly to the Committee.
- At least annually, the Committee shall obtain and review a report by the independent auditors describing: (i) the firm's internal quality control processes; (ii) sanctions made by any government or professional authorities, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and (iii) all relationships between the independent auditors and the Company (to assess the auditors' independence).
- After reviewing the foregoing report and the independent auditors' work throughout the year, and after receiving written confirmation from the auditors declaring their independence, the Committee shall evaluate the auditors' qualifications, performance and independence. Such evaluation shall include the review and evaluation of the lead partner of the independent auditors and take into account the opinions of management and the Company's personnel responsible for the internal audit function.
- The Committee shall determine that the independent audit firm has a process in place to address the rotation of the lead audit partner and other audit partners serving the account as required under Canadian independence standards.
- The Committee shall pre-approve all audit and non-audit services provided by the independent auditors and shall only engage the independent auditors to perform non-audit services permitted by law or regulation. The Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the full Committee at its next scheduled meeting.
- The Committee shall discuss with the independent auditors the overall scope and plans for their respective audits, including the adequacy of staffing and compensation.
- The Committee shall regularly review with the independent auditors any audit problems or difficulties encountered during the course of the audit work, including any restrictions on the scope of the independent auditors' activities or access to requested information, and management's response. The Committee shall review any accounting adjustments that were noted or proposed by the auditors but were "passed" (as immaterial or otherwise); any communications between the audit team and the audit firm's national office relating to problems or difficulties encountered with respect to significant auditing or accounting issues; and any "management" or "internal control" letter issued, or proposed to be issued, by the audit firm to the Company.

- The Committee shall review and approve the quarterly financial statements, for submission to the Board of Directors, including Management's Discussion and Analysis of Financial Condition and Results of Operations, with management and the independent auditors prior to the filing of the Company's Quarterly Report. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards. The Committee shall discuss and review with management the quarterly certification process.
- The Committee shall review and recommend approval of the annual audited financial statements, to the Board of Directors, including Management's Discussion and Analysis of Financial Condition and Results of Operations, with management and the independent auditors prior to the filing of the Company's financial statements and Management's Discussion and Analysis. The Committee's review of the financial statements shall include: (i) major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any specific remedial actions adopted in light of material control deficiencies (ii) discussions with management and the independent auditors regarding significant financial reporting issues and judgments made in connection with the preparation of the financial statements and the reasonableness of those judgments; (iii) consideration of the effect of regulatory accounting initiatives, as well as off-balance sheet structures on the financial statements; (iv) consideration of the judgment of both management and the independent auditors about the quality of accounting principles; and (v) the clarity of the disclosures in the financial statements. Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under professional standards. The Committee shall discuss and review with management the annual certification process.
- The Committee shall receive and review a report from the independent auditors, prior to the filing of the Company's Annual Report, on all critical accounting policies and practices of the Company; all material alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the independent auditors; and other material written communications between the independent auditors and management.
- The Committee shall review and approve all related party transactions not in the ordinary course of business in the absence of a special committee of the Board of Directors designated for such function.
- The Committee shall review earnings press releases for recommendation to the Board.
- The Committee shall discuss with management, internal audit and the independent auditors the adequacy and effectiveness of internal control over financial reporting, including any significant deficiencies or material weaknesses identified by internal audit and management of the Company in respect of Canadian securities law requirements, including any proposed securities laws.
- The Committee shall review with management the Company's compliance systems with respect to legal and regulatory requirements.
- The Committee shall review periodically with management and internal audit the risk of fraud with respect to the organization and the controls in place to manage those risks.
- The Committee shall ensure that the Company establish appropriate policies and procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

- The Committee shall ensure that the Company has in effect clear hiring policies for employees or former employees of the independent auditors that meet Canadian independence standards and stock exchange listing standards.
- The Committee shall, with the assistance of management, determine the appropriate funding needed by the Committee for payment of: (1) compensation to the independent audit firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services for the Company; (2) compensation to any advisers employed by the Committee; and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- To the extent the Company maintains an internal audit function, the Committee shall meet with the internal auditor(s), discuss the overall scope and plans for the internal audit function, including approval of its mandate on an annual basis, and discuss the adequacy and effectiveness of internal control with the internal auditor(s).
- The Committee shall ensure that the policies established pursuant to the Charter are communicated and to the best of its ability shall ensure that they are implemented by the audit committees of subsidiary companies where appropriate and the Committee shall ensure that the necessary follow-up is undertaken with such other audit committees.
- The Committee shall perform an evaluation of its performance at least annually to determine whether it is functioning effectively.
- The Committee shall review and reassess the Charter at least annually and obtain the approval of the Board of Directors.