

FORMATION METALS INC.

Security Class
Holder Account Number

Proxy – Common Shares – For Use at the Annual General and Special Meeting of Shareholders of FORMATION METALS INC. (“Formation”) scheduled to be held on June 21 , 2013 and any adjournments and postponements thereof (the “Meeting”).

This BLUE proxy is solicited by and on behalf of Dundee Corporation (“Dundee” or the “Concerned Shareholder”) and NOT by or on behalf of management of Formation.

Appointment of Proxyholder

I/We, being holder(s) of Formation common shares, hereby appoint David Christie, or failing him, Paul A. Carroll, Q.C.

OR

Print the name of the person you are appointing if this person is someone other than David Christie, or failing him, Paul A. Carroll, Q.C.

as my/our proxyholder with full power of substitution and to vote in accordance with the following directions (or if no choice is specified or if both choices are specified in respect of any matter, then FOR the matter) and to vote in the discretion of my/our proxyholder with respect to amendments to the matters listed below and other matters that may properly come before the Meeting.

Fill in only one box “” per item in black or blue ink. Voting recommendations are indicated by **HIGHLIGHTED TEXT** over the boxes.

1. Election of Class III Directors

Dundee recommends a vote **FOR** the following Dundee nominees

	For	Withhold		For	Withhold
Mr. Paul A. Carroll, Q.C.	<input type="checkbox"/>	<input type="checkbox"/>	Mr. David Christie	<input type="checkbox"/>	<input type="checkbox"/>

2. Appointment of Auditors

Dundee recommends a vote **FOR** the re-appointment of Deloitte LLP as the auditors of Formation.

	For	Withhold
Appointment of Deloitte LLP as Auditors of Formation for the ensuing year and authorizing the Directors to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>

3. Adoption of Majority Voting Policy

Dundee recommends a vote **FOR** the adoption of the majority voting policy for non-contested director elections as described in Formation’s Management Circular.

	For	Against
Adoption of the majority voting policy for non-contested director elections as described in Formation’s Management Circular.	<input type="checkbox"/>	<input type="checkbox"/>

4. Adoption of Advance Notice Policy

Dundee recommends a vote **FOR** the adoption of the advance notice policy for the nomination of directors as described in Formation’s Management Circular.

Adoption of the advance notice policy for the nomination of directors as described in Formation’s Management Circular. **For** **Against**

5. Alteration of Articles to provide for Annual Election of Directors

Dundee recommends a vote **FOR** the alteration of the Articles of Formation to require the annual election of all directors of Formation as described in Formation’s Management Circular.

Alteration of the Articles of Formation to require the annual election of all directors of Formation as described in Formation’s Management Circular. **For** **Against**

6. Re-confirmation of Formation’s Shareholder Rights Plan

Dundee recommends a vote **FOR** the re-confirmation of Formation’s shareholder rights plan as described in Formation’s Management Circular.

Re-confirmation of Formation’s shareholder rights plan as described in Formation’s Management Circular. **For** **Against**

Authorized Signature(s) – This section must be completed for your instructions to be executed.

Signature(s)

Date

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting.

[Empty signature box]

MM / DD / YY

Notes to proxy

1. **As a holder you have the right to appoint some other person or company of your choice, who need not be a shareholder, to attend and act on your behalf at the Meeting. If you wish to appoint a person or company other than the persons whose names are printed on this proxy (see previous page), please insert the name of your chosen proxyholder in the space provided (see previous page).**
2. If the common shares are registered in the name of more than one owner (for example, joint owners, trustees, executors, etc.), then all registered owners should sign this proxy. If you are voting on behalf of a corporation or another individual, you must sign this proxy with signing capacity stated, and you may be required to provide documentation evidencing your power to sign the proxy with signing capacity stated.
3. If the proxy is not dated, it will be deemed to bear the date on which it is delivered to Formation's transfer agent.
4. **The common shares represented by this proxy will be voted as directed by you, however where no choice is specified or where both choices are specified in respect of any matter, the common shares shall be voted FOR the matters listed in items 1, 2, 3, 4, 5 and 6 on the previous pages.**
5. **This proxy confers discretion on the proxyholder with respect to amendments to matters referred to in the Formation Notice of Annual General and Special Meeting and other matters that may properly come before the Meeting, in each instance to the extent permitted by law.**
6. To allow for sufficient time for your proxy to be delivered for use at the Meeting, **WE URGE YOU TO COMPLETE, SIGN, DATE AND RETURN YOUR PROXY SO THAT IT IS RECEIVED BY D.F. KING & CO., INC. (AT THE FAX NUMBER OR EMAIL ADDRESS) PRIOR TO 6 P.M. (PACIFIC TIME) on TUESDAY, JUNE 18, 2013.** The Concerned Shareholder will continue to receive proxies up until the time of the Meeting and make every effort to deliver any proxies received for use at the Meeting. You should complete this proxy even if you have already completed a proxy received from Formation management.
7. If you experience any problems voting your **BLUE** proxy, contact **D.F. KING & CO., INC.** at the number below, and they will be able to assist you to seek to ensure your vote is counted at the Meeting.
8. Please vote your **BLUE** proxy today. You do not need to submit the proxy sent to you by Formation management.

YOUR VOTE IS EXTREMELY IMPORTANT. PLEASE ENSURE THAT YOU:

1. **COMPLETE YOUR PROXY;**
2. **SIGN AND DATE YOUR COMPLETED PROXY; AND**
3. **DELIVER YOUR COMPLETED PROXY AS FOLLOWS:**

VOTING BY FAX VOTING BY EMAIL

1-212-709-3328 formationmetals@dfking.com

<p>For questions or assistance please call D.F. KING & CO., INC. 1-800-290-6431 (toll free in North America) 1-212-269-5550 (collect) PROTECT YOUR INVESTMENT – VOTE ONLY YOUR BLUE PROXY</p>
