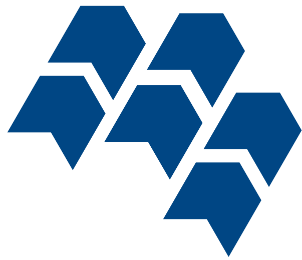


DUNDEE CORPORATION

2009 ANNUAL REPORT

Chairman's Report

"The only source of knowledge is experience"

Albert Einstein 1879-1955

Fellow Shareholder;

A review of the corporate history of Dundee Corporation will show that it has consistently responded to market turmoil, whenever it occurred, with a powerful determination that inevitably uncovers new opportunity. This past year is no exception.

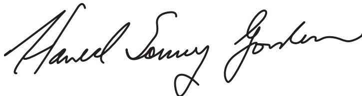
In the aftermath of one of the worst recessions since the Great Depression; a period that certainly proved to be a seminal event for business everywhere, we moved quickly to build-out our Company with a strategic change designed ultimately to increase our market reach, largely with new investment partners who bring to the table a wider range of clients and the capital necessary to achieve our collective goals.

This emphasis at the centre, combined with the very concentrated business building that Dundee's other interests pursued in the face of the developing recovery in Canada. This is particularly the case at DundeeWealth, where long term net sales of their Dynamic Funds continue to out pace the industry, while growth at Dundee Realty has proved to be an equally compelling story in 2009. In other areas we have partnered in the establishment of new undertakings such as Arabia Asia Capital Alliance focused in Dubai, initiated the formation of a new partnership in the Cayman Islands, Dundee Global Resource L.P. and are working with CITIC Merchant in China.

These are just a few highlights in an incredibly busy year that stands as a testament to the hard work and dedication of the men and women of Dundee. We cannot overstate the value of leadership as exemplified by our Chief Executive Officer, and we are also blessed with deep experience, commitment and determination across our management teams and throughout the staff as a whole. In all of the difficulties that inevitably remain an unwelcome part of business change and market turmoil, they have met every test without complaint. It has been exciting to be involved and a pleasure to extend to them the thanks of the Board.

I extend sincere personal thanks to my Board colleagues who gave so much of their time to our activities this past year. They know how much they are valued and it is equally a pleasure to acknowledge them.

Sincerely



Harold P. Gordon, Q.C.

President's Report

Dear Fellow Shareholders,

It is May 13, 2010 and I am writing these opening remarks weeks after much of what you will read in the following pages. I am doing so because I think it best explains what the vision and business plan of Dundee Corporation is all about. Many people at many times have asked me why is Dundee so difficult to understand? Why is your corporate chart so complicated? What business are you really in — resources, real estate, or asset management? Well, the real answer is that we are in the inflation protection and wealth creation business. But what happened this morning? I received a call at 7:15 A.M. from Michael Cooper, the CEO of all of Dundee's real estate operations. On the previous day our Dundee REIT had launched a $100 million offering of units at $24.40 per unit. Michael called to tell me that even at that time in the morning we already had orders for over $200 million and it will probably be as high as $300 million. Of course, we could only take $100 million. Michael was amazed at the size of over-subscription especially since the extra demand was coming from European Institutions. It was early in the morning and even while only half awake it came to me very quickly as I explained to Michael, "If you were the investment manager of an institutional portfolio in Europe, you are scared silly about inflation and the future purchasing power of the Euro and almost all currencies." I said, "The Armageddon that was mostly laughed at by traditional thinkers and which gold bugs have been preaching may happen, has happened, and it is unfolding before our very eyes." Those institutional investors were wise in seeing that to have the ability to own Canadian commercial rent paying real estate and receive a +8% yield, while being protected from inflation and any currency collapse of the Canadian dollar, is a no-brainer in the current global investment environment.

We know that companies that enjoy enduring success have almost spiritual core values that remain fixed so that their business strategies and practices can work hard and adapt to a world that is constantly moving closer and changing at the same time. At Dundee we stick to our basic belief and always know that not all people will agree with us.

In an article he wrote about a company's vision, Jim Collins quoted T. S. Eliot's Four Quartets:

> "We should not cease from exploration. And the end of all our exploring will be to arrive where we started and know the place for the first time."

At Dundee and all of its subsidiaries and affiliates, we strive to be a global leader in investment and asset management. Collectively we strive for innovation on product or process or both. We are developing a global presence. As a business family and not a family business we insist upon all of our "family" working to contribute to our success all the while being impeccably ethical and honest. We always want to do the right thing while maintaining an open and creative mind with freedom that we not only allow but insist upon.

I intend herein to outline our vision, mission and corporate culture because I am tired of being accosted by sell side security analysts, some of whom are even smart, about the fact that our shares are undervalued because we are too complicated and don't seem to have a vision, mission or culture.

Our mission is to provide superior investment and asset management for those clients that we serve, while at the same time building a company that is protected from an inflationary environment that we foresee in the future. Because we are long term thinkers and investors, the future is not tomorrow, next week or perhaps not even next year, but global inflation is inevitable.

It is easy for me to say that I know that we are respected and admired by our peers because many of our innovative solutions to investment products very soon get copied. It's not easy to be ahead of the pack in the Canadian financial arena, especially when in Canada the pack is dominated by a cartel of six very large banks and three very large insurance and financial companies, all of whom can count on financial or regulatory assistance if and when they get into trouble.

But let's get back to my mission to excel during the inflationary time that I expect. Personally, many would say that I am in the tail end of a forty eight year career but, nevertheless, I am sure that we will be visited by an upsetting inflationary environment while I am still employed as an investment counselor at Dundee's Ned Goodman Investment Counsel Limited.

Unlike the leaders of a large majority of publicly traded companies, I have chosen to have the large majority of my family's wealth locked into the investment in the shares of Dundee Corporation. I say "locked in" because in fact during the eighteen and a half years of the company's existence I have never sold a share and have added to the Goodman family's Dundee holdings by purchase and the exercise of options, even at some times when the option price was in excess of market.

The Goodman family has been well rewarded by the Dundee investment. Since the start up of the Company in October 1991 the stock price (adjusted for a 3 for 1 share split) has increased from approximately 67 cents per share to its current price of $14 per share and at times was as high as $24. I am comfortable in saying that the quoted price of Dundee Corporation shares has never really reflected its true value, understating net asset value by sometimes as much as 50%. Nevertheless, even from market value to market value over the last eighteen and a half years our family's Dundee wealth has increased by 21 times giving us a compounded rate of return of over 18% per annum were we to be a seller today, which we are not.

Coming into 2010, as a complete company including all entities and subsidiaries, we set an objective of strengthening the quality of our business while looking to increase cash flow and minimizing the risks associated with wealth preservation. We have successfully grown to a company with a $1 billion market capitalization that we know is worth significantly more than its stock market trading value. This point is easily made when it is considered that DundeeWealth alone has a $2 billion market capitalization, which is likewise less than its worth, and we own 50% of DundeeWealth as well as five of six other businesses that are profitable and growing very well.

Collateral damage is usually referred to innocent civilians who are killed by war strategies. When political strategies tend to vanquish debt and wipe out the wealth of innocent investors, the same term — collateral damage — applies to those whose wealth is not protected.

My family and I do not want to be "collateral damage" because of wealth destruction, and our company is being run to ensure that our significant investment in the shares of Dundee Corporation will protect us from that likelihood.

Let me quote the famous B. S. Bernanke:

> "By increasing the number of US dollars in circulation, or even by credibly threatening to do so, the US government can also reduce the value of the dollar in terms of goods and services, which is equivalent to raising the prices in dollars of those goods and services."

There is a nightmare scenario in which a sudden massive sell off of dollars would cause a world financial crisis and panic. The implications of a collapse of the US dollar and its abandonment as the world's reserve currency would provide some very scary outcomes, especially inflation, as all countries print currencies in order to devalue their currencies and repay debt with less currency value.

That is why I own some gold personally, corporately, and in every one of my client advisory accounts.

But even if the nightmare scenario of Armageddon does not unfold, we are likely looking forward to a bumpy ride because globalization cannot be turned back. Since the fall of the Berlin Wall in 1989, three billion new capitalists have joined the world's economy and we are only now beginning to feel their positive impact. The living standards in the emerging nations will increase and while the road may be bumpy it's possible to be long term positive about the ride.

Through his years with the Bank Credit Analyst I have been a follower of Tony Boeckh views and have achieved exceptional investment success by noting his economic thinking. Tony has recently written a book that is worth reading — "The Great Reflation". To quote one paragraph in the book:

> "The US experience is a textbook case of public sector crowding out the private sector savings and investment and thereby reducing the productive base of the economy relative to what it would have been if savings had remained at more traditional levels. Chronic deficits mean lower living standards in the future. The United States has unfortunately jeopardized its growth potential which is key to reducing deficits in the future with as little pain as possible. Without the incremental growth there will be that much more pressure on the Federal Reserve to assist in the financing of those deficits in an inflationary way — excess money printing."

We are operating our business with the mantra that wealth preservation from the "inflationary way" over the next five to six years should be the single most important investment objective of almost everyone.

This requires planning, study, patience, objectivity, prudence and a strong resistance to running with the herd. We do so on behalf of our clients and likewise for Dundee Corporation. It is my view that asset prices will be in a broad range bound market for the next five or six years. Severe shakeouts will be a fact of life of having perilous downswings and marvellous upswings. Wealth protection will be under pressure from the behavioural psychology of those erratic ups and downs and inflation, unless protected.

Financial markets will be increasingly concerned about the growth of public government, as debt will be more volatile and unstable as compared to the past. Those ramifications of a switch from a private sector debt cycle to fast increasing public debt supercycle will cause a change in the way the economy works and higher levels of investment risk.

The memory of declining home prices and the severe reduction in household net worth from the stock market crash of March 2009 will persist in the minds of investors for many years.

The value of corporate and individual pension funds have been decimated at precisely the time that a vast population of baby boomers have been waiting to retire in a fashion that was dreamt about but is no longer possible.

The bull market of 1982 to 2007 will not be replicable until the memories of the recent wealth decline are lost and a new generation of investor emerges, investors who will be more aware and disciplined towards risk.

Buy and hold and get rich does not work in a range bound market like it did during the period from 1982 – 2000, which were 18 great years. The index returns over the last ten years bear witness to that fact.

We have learned to understand that we live today in an environment where most investors do not yet understand how the world would work economically when there is recognition of the effects related to the elimination of an international monetary system; a system that was in existence prior to 1971. It will take some time for investors to figure out how it will change to provide global monetary stability and comfort.

A common critique about the financial crisis is, Why didn't someone see this was coming?

Maybe the very few who read these annual report messages will remember that I previously said:

"In the next two or three years the monetary crisis won't be about US debt default or even insolvency. It will be about inflation and, yes, the media will say, "Why didn't someone see that this was coming?"

The emergency measures that have been used to thwart the financial crisis of 2008, and 2009 will not be contained to the crisis itself. There will be unintended consequences as a result of increased money supply — inflation is one.

As a result, the bullish case for gold is solid; the deflation that guys like David Rosenberg and Nouriel Roubini continue to talk about causes central banks to lower interest rates and print money aggressively. In a financial crisis even more so. The result is that all global currencies will likely devalue against the reserve currency — the US dollar.

In the case of the US the Federal Reserve must print money even more aggressively than others and the dollar will become devalued against all hard assets which will allow inflation and gold to react positively.

President Obama has put forth the ambitious goal to double US exports over the next five years, i.e. before the 2012 Presidential election. But to do so it would be almost impossible for net exports to add significantly to GDP without a significant decline in the purchasing power of the US dollar. Has President Obama brought forth another "change" without knowing about the unintended consequences, or perhaps a lesser valued US dollar is an intended consequences.

Obama will have to walk a fine line to foster an economic recovery for 2012 and at the same time keep inflation and of expectation in line to protect the dollar, or maybe that's the plan.

The US dollar was in a long term decline prior to the Lehman bankruptcy when the dollar became a haven currency from the world falling apart. It was beginning to decline once again until Europe and Greece and the other PIIGS threatened trouble. As a safe haven for holders of the Euro, the US dollar is like jumping off the Hindenburg balloon to get a booking on the Titanic.

That has been my view for some time, and today I feel better about that view because Tony Boeckh, has reached the same view, that there is a bubble of inflation ahead for the gold price and most hard assets like real estate and resource commodities; these are all Dundee's businesses.

But Tony calls the purchase of gold a speculation — buying solely in the hopes that another buyer will come along and pay a higher price; yet he says on the very next page that "given the future uncertainty and potential threats of wealth destruction, we would also recommend that long term investors keep 5%-10% of their assets as an insurance position in gold and hope they don't need it. My view has been that a conservative non-speculative portfolio should be positioned as to 10-15% in gold and today 15%-25% is probably more advisable.

The US dollar has had a disastrous roadway over the last forty years as has the Euro in a much shorter time period, but each has been somewhat saved by the fact that most other countries have had their own serious economic, monetary and other financial problems.

The false position of the world in assuming that the US dollar is a reserve currency has allowed the US to build up a very large balance of payment deficit which was funded by foreign central bank purchases. These holdings make the US position precarious because seigniorage has allowed the US a "free lunch" and you and I know there is no such thing.

As a result of this position of using a "free lunch" the US has been able to enact internal policies and expenditures that were really not affordable and built up a debt position and running deficit that is not sustainable.

Because of China's and other developing countries preparedness to hold US currency the US took advantage to finance expenditures and deficits which allowed for "falling inflation and interest rates" which led to the crash of 2008-9. This type of disequilibrium may not yet be over because of the "Obamaspend" current administration.

President Obama is setting up a scene whereby the US fiscal deficits will become as large as the gross domestic product of the country. This position of fiscal misbehaviour will be disastrous for dollar confidence. Greece is the current pilot plant and canary in the coal mine for this circumstance. Any corporation would already be in trouble in such a position, but the US does have the ability to overcome even with its liquid liabilities significantly exceeding its non-liquid assets. As we know, the future fate of the US dollar and the United States is in the hands of President Obama and his advisors, but the President seems to be more interested in worrying about election in November of this year and again in 2012. There are reasons to worry about the US dollar being in serious trouble some time soon. The impact of a US dollar crisis caused by a Greece-like panic demand for the holders of dollars to be rid of them can lead us to a new financial crisis. In my opinion, the result is deemed to be so disastrous that it is not likely to be allowed to occur, because there is no winner if it happens. An arrangement will have to be made to allow all global currencies to hold hands and devalue together, moving prices up on a world wide basis.

Any way you choose to look at these likely or unlikely set of events, inflation and higher interest rates are inevitable and global financial disequilibrium will have unknown consequences. The last time a situation like this occurred there were fewer national entities to deal with and the Group of Five, Britain, France, Germany, Japan and the United States, concocted the Plaza Accord of 1985 whereby the other four countries allowed the US to devalue the dollar, against the yen mostly. This helped the US and dramatically hurt Japan until they moved their manufacturing to the US.

Today, when there is a Group of Twenty, some of whom are not really friendly to the US, the consequences are very uncertain. We should be prepared for inflation, and we are.

Tony's book also says that there will be a supply of freshly printed US dollars which will continue to rise sharply and persistently for years. To quote him, "As most people know, if you increase the supply of

something faster than the demand, the price falls. In this case the dollar will fall against other currencies (US dollar in all instances).

Since the British took down the pound by a nominal 60% in 1967, in terms of purchasing power the pound has lost 95% of its value.

The 1967 British example warns us that a significant devaluation of the US dollar is not a matter that should be disregarded. Yes, the US dollar is the world's reserve currency and central banks have been using it for their reserve holding position. A steep slide in the dollar "would be global financial chaos" if it occurs. Tony says in his book that fear of chaos will prevent dollar dumping in the short term with cooler heads maintaining the nervous dollar stalemate that has been the prevailing position for some time.

The US dollar's reputation has been in a monetary decline for some time and many central bankers other than Canada and Britain, decided they would rather have gold instead of dollars, and this continues.

Because of that, Richard Nixon in 1971 was forced to sever the link between the US dollar and gold; a link which allowed foreign nations to exchange $35 US for one ounce of gold from the over 700 million ounces of gold that the US held. This ushered in the modern era of the dollar as an unbacked world economy. In the last 40 years the dollar has become detached with substantial decline against other strong global currencies. In the US itself, the dollar's purchasing power has declined by 80% and by 97% against the price of gold since 1971.

It's hard to predict the future, but as Mark Twain has said, there is a rhyming sound some of us look for from the experience of the last 40 years.

It is interesting that while the stock market is celebrating an economic recovery as are most economists, the National Bureau of Economic Research (NBER), the official arbiter of US recessions — have not yet called an official end of the recession which NBER already reckoned had started in December 2007. The NBER met on April 8th and concluded that determining the recession "trough date on the basis of current data would be premature."

It has been suggested by John Williams, the economist that publishes Shadow Government Statistics, that if GAAP accounting principles were used by the US Administration the US deficit in 2009 would have shown as "about $8.8 trillion, up from $5.1 trillion in 2008." He further calculates that total US government obligations when debt and the net present value of unfunded liabilities are added, together there is a gross liability of $75 trillion. This number is five times the level of US GDP and does not yet include the costs of the recently approved national health care programme.

Williams says that "taxes cannot be raised enough to balance spending. One hundred percent taxation still would leave the US fiscal position in deficit. Based on the tendency of the Obama political establishment there will not likely be any effort to slash programs sufficiently to contain the excesses of spending. Two thousand and ten will not prove any improvement in the overall deficit; it is this circumstance that assures the ultimate debasement of the US dollar such that we should expect inflation, not deflation.

While the officially released CPI numbers from the US appear to show that inflation is within a normal protected range of 2% to 3% year to year annual inflation, the shadow government statistic (SGS) sees otherwise. Adjusted to the pre-Clinton (1990) methodology, the annual CPI rose roughly to 5.6% growth in March 2010 from 5.5% growth in February.

The SGS Alternate Consumer Inflation Measure, which reverses all the tricks and gimmicks that were imposed on the changes to official CPI reporting methods since 1980, rose to about 9.5% in March 2010 versus 9.4% in February.

Over the decades since 1980 the US administration has altered the meaning of CPI from being a measure of the cost of living needed to maintain a constant standard of living, to something that no longer reflects a constant standard of living concept. For example, if I adjust the value of a US dollar from $100 in March 1962 when I started my investment career to the official rate of inflation statistics, its purchasing power today would require approximately $723 dollars. If the alternate method of eliminating all the gimmicky changes since 1980 is used, I would need $2300 US dollars for the same purchase.

To compare this to the price of gold and only go back to January 1980 and adjust for official inflation today, a troy ounce of gold would be $2377. But the elimination of all the changes to CPI calculation and merely using the pre-1980 methodology a troy ounce of gold would be valued at $7560 in terms of the SGS alternate — CPI — adjusted dollar.

The US official "core inflation" is also a bit of a joke. I can remember in the 1970's when Arthur Burns, the then Federal Reserve leader, decided to make changes that eliminated two of the most important components to inflation — food and energy. Food was taken out, believe it or not, because for some mysterious reason the anchovy population offshore Peru had disappeared. I still don't know why this happened but Burns said that since this was an act of nature that the Federal Reserve could not control, food should not be calculated in core inflation; and as you would expect the cost of food rose significantly.

Similarly, because of the 1973 Yom Kippur war between Israel and its Arab neighbours the price of oil increased dramatically. Burns likewise determined that since he had no control over the price of oil, energy should be taken out of core inflation. Interestingly, the Federal Reserve has never had control of food or energy prices and still does not.

It is unquestionably true that the traditional concept of consumer price inflation has been politically overtaken and mauled to be an unacceptable number by the Federal Reserve in order to tone down the unwanted consumer and investor behaviour because of inflation expectations.

Inflation measures are commonly used as an indication of how much increased income is required in order for living standards to be maintained, or in my field of investment management and as a company president, how much do I have to earn for my clients investments and for my company in order to stay ahead of inflation on an after tax basis? The officially reported CPI has strayed sharply away from these needs.

We all know that the posted CPI is much less than our cost of living increases, so why do our economists, politicians, news media accept the reported numbers as gospel?

The fact remains that in times of uncertainty, investors historically turn to gold as a hedge against inflation and unforeseen crisis since gold is one of the very few asset classes that is not someone else's liability. Many experts argue that gold is not an effective hedge against inflation since the then-record of $873 an ounce established in 1980 should have appreciated to $2287 in terms of today's dollar; and it hasn't, yet.

However, fear of any sort usually translates into higher gold prices. One hypothesis is that the seemingly slow and steady inflation is not explicitly overt enough to cause an overwhelming fear of inflation, yet. Nevertheless, the record government debt levels and monetary printing machines will most certainly heighten investors' inflation concerns and push gold prices much higher over the long term. The mother of all bubbles is ahead of us for the price of gold.

As a security analyst and portfolio manager since 1962 I have learned that the ability to determine the intrinsic valuation of a business is the most important ingredient I can bring to the table. But I have also learned that when I am fortunate enough to determine valuation along with a correct view of future global geopolitical and macro economic events before a major change occurs, the result creates greatest positive rewards to a portfolio. The current environment causes me the most uncertainty that I have experienced in my entire investing career.

Some simple examples of unexpected events during my career have been:

A. In the 1970's, geopolitical events in the Middle East were troubling — after the 1967 war and before the 1973 war, a time when OPEC was laughed at, any forecast calling for a ten fold rise in oil prices was ludicrous — yet it happened.

B. During that same time in 1971 after President Nixon closed the US gold window, traditional thinking never thought that the price of gold would go from $35 an ounce to $800 an ounce in less than ten years — yet it happened.

C. By 1980 when inflation was killed by Volcker and after living through negative real yields for many years, who would have thought that during the next ten years we would see double digit real bond yields? — yet it happened.

D. Similarly in 1982, after sixteen years of negative stock market returns on a nominal or real basis, who would have thought that the next 18 years would see the stock market deliver the bull market of a generation? — yet it did.

E. And in the time around 1989 or 1990, those peculiar non-understandable technology stocks with very volatile earnings such that Warren Buffett said it was impossible to calculate intrinsic values based on a present value of future cash flows and rejected their purchase — who would have thought that we would see the NASDAQ at 5000 (still not recovered to that number) and achieve many ten fold increases in stock market prices?

F. Similarly, there was not very much agreement that when the major bust came in 1999-2000 that many of those technology companies would either not exist or not make it to their old highs in price, even to today, and commodities suffering from a 20 year bear market would enter a generational secular bull market. — Yet it happened.

G. The "sucker's rally" from 2002 - 2007 — who would have thought that after an 18 year bull market and 9/11 and vicious short term bear markets we would see the gains achieved by the stock market for the five years after 2002. It did happen.

H. After the market making hew highs in 2007 who would have thought the expected mid cycle slow down would get blind sided by the bursting housing bubble and wipe out all market gains that had been achieved since 1995 — 12 years?

I. In 1998 who would have thought that the Nobel Prize geniuses at Long Term Capital Management who were able to convince many of Wall Street senior executives and pro-traders to not only invest with them for their firms and personally, but went along and piggy backed the trades even while they were counter parties to each other. For Long Term Capital, the Nobel prize winners took $5 billion of net asset value down to almost zero in a very few years; who would have thought that John Merriweather, the leader who founded Long Term Capital, would be able to come back to the market in 2006 and raise new money for a new hedge fund which again got hammered during the credit crisis of 2007 and 2008. who would have thought?

J. And now, March 2010, we find that some AA US Corporation debt is trading at a premium to AAA US Treasury debt (i.e. lower yield). Most would think this impossible, with the US, the largest economy and strongest military might in the world, how can mere corporation trade as a better credit risk that the USA?

K. Who would have thought that the major investment houses of Lehman Bros. and Bear Stearns would no longer exist with Lehman bankrupt? And what about CITI Group — which was a $60 stock and a $1 stock and barely $4 today? What about AIG? Who would have thought?

L. And inflation, with high unemployment, low interest rates and economic output gap and a Federal Reserve ready to raise interest rates and most people and their economists telling that inflation is not possible. I think differently.

M. Who would have thought that last week tiny Greece with 13 million people would require a one trillion dollar bail out that includes Spain, Portugal and Italy as part of the bailout syndicate? — Who would have thought?

These events happened even though the group think of public perception bet against them.

Yet, the most common question being asked today relates to the world of inflation or deflation — which is the more likely? Unfortunately, inflation as measured by the US CPI is either fraudulent or dysfunctional. Further, no one has as yet figured out the link between the US CPI and the economies of emerging Asia.

We keep hearing about how can we have inflation in a negative output gap environment. But no one takes into consideration that perhaps the output gap is a permanent environment for the US. Too many jobs have already been pushed offshore to China, India, Latin America and other developing nations. These are jobs likely never to return. So the output gap is real and long term.

Another reason lodged against inflation is the so-called powerful deflationary force of excess housing supply — which could last for several years, but is mostly behind us.

At the same time, the argument is made that wage growth with 10% unemployment is another restraining force on inflationary pressure. But during the inflationary days of the 1970's unemployment was even higher.

However, currencies, gold and bond markets of the world are sending a different message — Higher inflation is on its way.

The weakness of the US dollar and with almost every other significant currency following suit reads to me that the US faces higher import prices and therefore higher inflation regardless as to how the Federal Reserve wants to calculate the CPI inflation gauge.

The nice part about all this is that instead of deflation that is forecasted by most doom and gloomers, we are more likely at least in a reflationary environment, and historically, equity returns during reflation are almost always high on average. But let's not forget that the average of all the humans in the world is someone with one breast and one testicle.

Nonetheless, the equity markets usually predict the end of deflation and we have been there since March 6th, 2009 when even months before that you could see that the light in the tunnel was not a train and the stock market took off.

History has also shown us that those countries that can print money to monetize their debt are the most likely to feel inflationary pressure first.

Almost all investible money that exists in the world is searching for both yield and inflation protection at a time when interest rates in the developed markets are at 300 year lows and part of an economic syndrome that is creating even more liabilities. We are living in a society that has an expected trend of increasing debt deferrals rather than debt eradication. That is the consensus view which does not take into account that the world is increasingly being driven by Asia and emerging markets rather than the US, which is the historical trend that economists continuously look towards; all the while the US and Western Europe are declining in global importance in their significance to global economic growth.

The actions of Ben Bernanke and the Federal Reserve of the US will, again, in his own words, "produce inflation and higher interest rates." The search for yield, especially from US treasury bonds, is a trap which will create significant capital losses in the next few years. As Warren Buffett said in the midst of the financial crisis, "The next bubble will be in treasury bills."

But this week, Martin Murenbeeld, our lead economist at DundeeWealth Economics, offered something totally new about the current behaviour of the gold investment market:

> Investment demand for gold — and investment demand for commodities generally — is in early days. This is only just starting to develop... One of the things that I see when I travel around North America is that more and more people are starting to questions "What is currency debasement? How does it work? — that sort of thing.
>
> Now what's interesting about that is that Americans and Canadians by and large never thought about currency debasement. This was something that maybe an old German would think about or Asians and Latin Americans. But not North Americans — but that has changed ... "There is a concern among investors that not all is right with the financial world and they don't fully understand it. They think central bankers might be debasing their currencies and so there is an interest developing in gold."

DundeeWealth Inc.

Twenty years ago I started to work towards creating a new, independent asset manager for Canadian investors. My vision was constructed and designed to cover the wealth management spectrum by providing financial planning advice, stock brokerage, corporate finance, mutual funds and investment counsel to high net worth clients across the country, and included the build out of a national network of independent financial advisors and the establishment of dedicated banking services shaped specifically to meet their needs.

In 2007, my son David, after working as a portfolio manager and senior executive to the company for over 14 years, replaced me as the President and CEO of DundeeWealth. Today, DundeeWealth is one of Canada's pre-eminent investment managers. Setting new standards of excellence, it is a firm that is highly successful because it looks to the stock market for opportunity and not for direction.

Measuring David's progress isn't difficult. Year over year since 2007 the value of DundeeWealth's stock has improved. The dividend more than tripled from 2 cents to 7 cents a share per quarter. Every division of the Company has recorded growth, including the retail operation where a loss of $1 million in the last quarter compares to a loss of nearly $30 million in the fourth quarter of 2008. Through Dynamic Funds we stand among industry leaders with $2.7 billion in net long term mutual fund sales in Canada, a significant contribution to fee earning assets of more than $70 billion currently.

Over the last three years David has eliminated the balance of our bank borrowing facility and in a combination of moves that included a $200 million debenture offering and the opportunistic sale of a substantial portion of the ill-fated asset-backed paper portfolio, raised DundeeWealth's reserves of cash and marketable securities to over $500 million. This too is a measure of excellent progress.

There are many competitive and regulatory issues that will ultimately foster wealth management change, but industry consolidation, largely driven by the Canadian banking community and their wholly owned wealth management divisions, remains top of mind. Competition for share of wallet is high. The investor's heightened desire for simplicity and security invariably leads to a search for safety and Canadian banks can offer that long before there is any need to talk about performance or return on money. In the face of market failure or another scandal many cautious investors worry more about simply getting their money back than about beating the index with impressive returns. The cartel of Canadian banks deliver easily on that promise.

The necessary response to these and other issues is a confident and promised determination to differentiate DundeeWealth as the leading independent investment alternative for Canadians as well as for investors outside of the country who recognize Canada as a growth opportunity. Clear, client-based communication is essential to this effort and a test of excellence. That's why having a DundeeWealth Customer Relations Centre that is ranked the number one call centre in North America for 2009 is significant.

In addition, the previously announced program to achieve efficiency brought the cost of operations down by $50 million over the last 18 months with full time staff complement reduced by more than 25%. DundeeWealth's relationship with its client base remains well attended even in the face of some substantial cost cutting. For a firm that puts the interests of its clients ahead of most everything else, this is an important point to make.

DundeeWealth was once again recognized at the Canadian Lipper Awards for the quality of its investment products. Dynamic Funds took home 11 Fund of the Year trophies at the 2009 ceremonies, and 14 in 2010 — the most of any of the many firms considered. Similarly, at the 2009 Canadian Investment Awards, Dynamic Funds received the Advisors' Choice Investment Fund Company of the Year award. It was the fourth time in the last five years Dynamic has been honoured with either the Analysts' or the Advisors' Choice award.

At the same ceremony, Dynamic collected both the Advisor Education and Investor Education awards for its "Snapshots" program. "Snapshots" is a web-based tool launched in 2009 that allows advisors to deliver customized, specialized and value-added service to clients around different life events such as parenthood, divorce, and caring for an ailing or aging parent. The program has been praised by advisors for its ability to deepen relationships, facilitate dialogue and build trust and confidence with their clients.

Over the course of the year assets under management increased by 42%, reaching an all time high for the Company of $36.1 billion by year end. While the most significant contributor to this increase was market appreciation of $7.5 billion, $2.6 billion in net assets gathered was an industry leading result that speaks to the Company's success

David has continued a culture that encourages these confident achievements and the culture has become contagious across the company. It is a culture that inspires faith, respect for colleagues, and pride of collective effort. It is carried by a deep experience that is recognized as much for its independence of thought as it is for its innovation and leadership. Above all it is a culture that combines the historic values embodied in a "company family" with the instincts of the entrepreneur.

The strategic decision to refocus the business on asset management has been rooted in this culture and the partnership it fosters. So is the confidence that encouraged the exit of some areas of business and outsource of non-essential support services in favour of a greater emphasis on the skills of managers of money. Knowledge and the quality of both products and people who manage them differentiate DundeeWealth in an investment market hungry for innovation that's captured within accessible opportunities.

Although DundeeWealth no longer owns the Dundee Bank of Canada, a white label agreement with The Bank of Nova Scotia has allowed a revenue sharing formula to enjoy some of the commercial benefits we had originally anticipated. At the end of 2009 Dundee Bank of Canada held $7.2 billion in bank deposits.

David elected to beef up the Capital Markets sector on the belief that we can leverage our expertise as investment managers and valuably connect it to the wider range of those innovative ideas we have historically been able to develop both as investment bankers and broker dealers. The decision is coupled with plans to build out the trading activity and encouraged a strategic investment in CNSX Markets, a privately held Canadian company that operates the Canadian National Stock Exchange and Pure Trading, two market alternatives to the TMX Group.

As the controlling and 50% shareholder, we remain confident that a profitable, specialized capital markets dealer focused primarily on small and mid-cap companies in specific sectors, but centered on mining and energy, has a role to play in the Canadian market, particularly among the undervalued or poorly followed investment opportunities that have very real growth potential. The first task has been to retool the management team and refocus the business on sectors where our interests and our expertise are aligned. This has involved significant commitments in senior professionals made within a restructuring of the division. Joanne Ferstman left us as the CFO of Dundee Corporation in June of 2009 to take over as the head of Capital Markets for DundeeWealth.

Our deep corporate family culture has supported a patient, long-term investment philosophy. It is a philosophy that helped shape an effective response to the turmoil of the past year without the imposition of unusual constraints on the market instincts of Dynamic's investment managers. They have remained unwavering in their strategic investment convictions and in spite of the obvious pressure created by concerned investors and industry observers alike, their success speaks for itself. More importantly, the discipline reflected in our collective decision to stay the course and not deviate to more urgent, short term strategies proved to be not only correct but also well accepted by advisors and resulted in improved sales numbers and happier clients by year end.

DundeeWealth has remained committed to the strength of its investment platform, constantly looking for ways to further develop capacity, depth of management and unique market knowledge, without compromising or confusing the excellence already achieved.

On balance through 2009 Dynamic has remained heavily positioned in equities, which contributed to our relatively stronger market performance. At the same time, in an effort to mitigate further volatility, we have created new product so that worried investors can transfer their money out of equities. This move into asset classes that have been traditionally considered lower risk and has led to a change in Dynamic's asset class weightings that includes more fixed income and money market alternatives.

On the birth of DundeeWealth as a public company ten years ago, we concluded that the success of Dynamic Funds could be further developed through a strong relationship with financial professionals who could present our product to individual investors as an independent alternative to the bank-owned model of wealth management. In the early part of the decade the focus was on building a distribution platform, beginning with the acquisition of several mutual fund distributors. The network acquired was large and proved cumbersome, particularly in areas where a growing demand for stronger skills to support a full range of investment products did not connect with increased attention to revenue.

The improvement of the quality and distinction of the advisor network since 2007 has allowed DundeeWealth to emerge from the chaos of the market's downturn as a stronger company. It is no secret that during 2009 both advisors and clients alike were angry at the investment management industry as a whole. The amount of money that continued to stay out on the sidelines through 2009 was a clear indication of concern. That will take some time to change.

However, while many of DundeeWealth's competitors were cutting their field presence, and therein eliminating critical support for their advisors, DundeeWealth responded with an aggressive communications initiative, offering all interested advisors robust information and education resources as well as unparalleled access to the Company's portfolio managers, economists and other experts.

Experience alone made clear the importance of supporting advisors during a time when the credibility of the financial services industry — and by extension their advice — was under attack. Maintaining an active personal presence in every territory was critical and the response from advisors very positive. Among the significant lessons learned as an organization in 2009, it became clear that supporting independent advisors to grow is not always about having great sales concepts or marketing ideas. These things are important but no less so than a culture of support and concern that will enable the best advisors to focus on success as they manage their businesses through tough markets.

Dundee Realty

Michael Cooper and I started Dundee Realty together in 1994. Today, after an exceptional and profitable sixteen years, Michael has personally accumulated by market purchase and option exercise, 30% of the company and we continue to do well as partners.

The results of 2009 exceeded our expectations notwithstanding that the year started with anguish, fear and concern. Our first quarter had few carry over housing lot sales from prior years. All we had after that were a few house lots sold and Pure Spirits, our first condominium project at The Distillery. While the housing business continued in Saskatchewan, new sales were slow. In addition, we had concern that purchasers at The Distillery might act like the condo purchasers all over America who did not meet the obligations of their purchase contracts.

As it turned out, all the purchasers at Pure Spirits condos closed and we were able to repay about $70 million of debt and generated about $20 million of cash. As the spring progressed, we continued to see more encouraging signs. By the end of the second quarter, there was so much interest that Michael began to worry that we hadn't serviced sufficient lots for sale. We began planning to increase our servicing so that we would have lots available early in 2010. For the most part, everything that was available for sale was sold. As we ended 2009 with a great fourth quarter we started to enter into substantial option agreements for lots that would not be delivered until 2010. We anticipate that 2010 should result in significantly higher income than 2009.

Our condominium division had a very exciting year as well. In fact, there was hardly any lull in sales and we kept building up more and more sales in more projects. At year end, we had over 85% sales at the two Distillery buildings and the two Corktown buildings. We are also working on the sales at Gladstone and 630 King Street East, all in downtown Toronto. The lending environment has been changing, in our favour, with our recent loans being completed at the most advantageous terms we have ever experienced, including reduced recourse and low rates.

Dundee Realty's infrastructure division continues to make progress. Our first wind-power project was completed at the end of 2009, is now operating and we continue working towards achieving hydro projects in Ontario. We are also exploring more opportunities to build wind projects in Nova Scotia and to acquire investments in other renewable development projects. In addition, since we have already successfully committed the $100 million from the original infrastructure fund, we are close to an agreement with our joint venture partner to commit an additional $100 million to renewable energy investments. We are hoping to develop funding of significant long term equity so that we can continue to develop projects with our partner at attractive returns.

Overall, we are putting a great deal of time and capital into areas that will not pay off in the short term. For example, the only project closing in 2010 is Corktown 1. In 2011 there aren't any condos closing; and then in 2012 and 2013 about four projects will close. The projects under construction will reduce our net income each year until we complete them.

Our land holdings are very large compared to the amount we use each year. In Calgary, we have been assembling land since 1997. We now have about 1,000 acres that we own outright and have not yet produced anything for us. In addition, the 2,000 acres of land we recently acquired in Saskatoon has now been annexed which significantly increase its market value by a three fold increase from what we originally paid. We have a similar 600-acre parcel in Regina which also has increased in value. Not generally known, we have been in the land business in Western Canada since the birth of the company in 1994 and currently have a land inventory of 6000 acres, mostly in Western Canada.

Our real estate asset management business does not currently reflect the investments we are making for our future. In addition to our work to increase our infrastructure business, we have continued to work with foreign investors with a view to becoming their asset manager for Canadian real estate. The changes in the capital markets have allowed us to make substantive changes to Dundee REIT that not only allows growth currently but will make us more competitive in the long run.

We have sufficient financial capital via cash flow and available lines of credit to fund new land acquisitions as well as the repayment of debt as it comes due. In fact, at the end of 2009, Dundee Realty repaid $34 million of its debt to Dundee Corporation and anticipates repaying a similar amount in 2010.

The most significant aspect of 2009 is that Dundee Realty had virtually no backlog entering into that year so all the sales were originated and completed in the same year. We were very concerned and cautious about the economy and our availability of capital so we significantly reduced the amount of money we were investing in inventory. We ended the year having sold everything that was available and also developing an enormous backlog of orders for 2010. We are budgeting to sell in excess of 1,400 lots in 2010, an increase from about 830 in 2009.

We build houses on our Western Canada lands and that of others in each of Saskatoon and Regina. The maximum number of houses that we are able to build in any given year is about 230 in total. In 2009, we completed 203.

We were initially surprised in our efforts in Toronto condominiums. Purchasers kept coming and paying the asking price for our product. Our second surprise was that the lending market came back and was very aggressive on rates and covenant. Lenders are still conservative on the amount of equity required.

A recent new development is our agreement to acquire a 17% interest in The King Edward Hotel. Our partners include Skyline, who formerly acquired the Pantages Hotel from us, and several other financial partners. Dundee will act as the developer on the conversion of the vacant 3rd, 4th and 5th floors into condominiums as well as re-branding the hotel. The proceeds from the sale of the condominiums will help pay down debt and provide capital to upgrade this historic hotel.

Our real estate asset management business, DREAM, has been outperforming our budget, since the departure of GE as a client. We are also working with foreign investors and expect increased assets under management. We are currently in discussions to start a Canada only fund that we would manage for third party investors as per my 7:15 A.M. telephone conversation with Michael on May 13th.

We are very pleased with the progress that Michael and his management team have made. They are exceeding budgeted cash flow regularly, maintaining margins and exceeding sales targets. Michael has always managed our financials conservatively. There continues to exist excellent opportunities to combine our Dundee capital and experience to generate high returns and throughout our portfolio we continue to add value to our assets that we expect to only be reflected in future periods.

Over the next 18-24 months Dundee Corporation will be repaid the balance of the debt and the preferred shares that were created in 2006 during Dundee Realty's previous restructuring. The total amount to be paid is about $58 million.

We anticipate that many of the strategies we are currently working on will provide increased returns. These new initiatives, in addition to our improved current operations and the addition of new subdivisions, have the potential to greatly increase the annual contribution of Dundee Realty to Dundee Corporation.

Dundee Precious Metals

We own 23% of Dundee Precious Metals. While 2009 was a challenging year for Dundee Precious Metals (DPM) there have been advances achieved on several fronts. The Chelopech mine/mill expansion project is presently being constructed and is on track to double mine output to two million tonnes of ore per year by the third quarter of 2011. Importantly, the processing of the Chelopech concentrate is now fully secured through DPM's recent purchase of the Namibia Custom Smelter. The Deno Gold operation in Armenia is generating profits and further optimizing its operations through a mine/mill expansion to 600,000 tonnes of ore per year. The Company is on track to meet its strategic objectives — to optimize current operations and also to complete its Krumovgrad gold development project as soon as possible.

Beyond 2011, with its fully expanded production rate operating, Chelopech will produce almost 150,000 ounces of gold and close to 50 million pounds of copper annually at a unit cash cost such that at current copper prices all costs could be covered leaving the gold at close to zero cost. As of December 31, 2009, there remains approximately US$94 million to be spent to complete the project, the funds for which are now available.

The recently purchased Tsumeb smelter in Namibia is a specialty smelter that was originally constructed to treat concentrates like those at Chelopech. The Company is completing a smelter expansion from 120,000 tonnes of concentrate per year to over 240,000 tonnes of concentrate per year, which is more than adequate to process the 150,000 tonnes of concentrate that Chelopech will produce once it has been fully expanded. In addition to processing Chelopech concentrate, expanded opportunities will exist for the smelter to source and process other complex concentrates, providing the company with a competitive advantage.

At its Krumovgrad site the company is carrying out a pre-production review of key aspects of the proposed open pit gold development. Final test work is underway and a plan for the future development of this project will be completed by the second quarter of 2010 with production of around 750,000 ounces of gold from an open pit over eight years, beginning in 2011. The company maintains a portfolio of significant investment positions in exciting exploration companies.

Ned Goodman Investment Counsel Limited

Ned Goodman Investment Counsel Limited (NGIC) was established initially as Ravensden Asset Management and its name was changed during the year. NGIC and DREAM (Dundee Real Estate Asset Management) currently manage on a sub-advisory, direct or overseeing basis $6.3 billion, almost all related to resources and real estate. We have established a private alternative asset fund — Ravensden Alternative Group — which has raised about $7 million to date.

We have made The Dundee Global Resource Fund operational with our corporate commitment of $200 million of which approximately $20 million will be directed to facilitate the purchase of two very exciting investment opportunities.

We have arranged for Arabia-Asia, our newly licenced Dubai subsidiary, to be our fund raiser in the MENA region and we are finalizing arrangements with Greenhill Associates of New York to raise funds in North and South America and with CITIC Merchant of Hong Kong to raise funds in Hong Kong and China.

Our commitment to asset management through NGIC now includes a total complement of eleven professionals as security analysts and resource due diligence personnel. DREAM likewise has a full complement of experts looking after real estate purchases and sales as well as infrastructure development.

Breakwater Resources

Dundee Corporation owns 25% of Breakwater Resources. A year ago Breakwater's management was facing a challenge in that $20.3 million in cash was facing the double barrelled shotgun of $50.8 million in accounts payable and accrued liabilities (some of which had been aged significantly) as well as $10.5 million of provisional payments for concentrate shipped and not yet priced. This financial distress was most acute when zinc prices hovered around $0.50 per pound from December, 2008 through February, 2009.

Throughout 2009 management tenaciously focused on: cost containment; extraction of higher value mineralized material spending a minimum of capital required to operate the mines; and, raising additional capital for which Dundee participated. Fortunately, the price of zinc bottomed in February and gradually moved increasingly higher for the balance of the year. By mid-2009 any concern that Breakwater would not survive had been put to rest and by the end of the year, the Company had $41.1 million in the bank, working capital of $70.7 million and a portion of future earnings protected by the purchase of zinc put options giving us the benefit of the higher zinc prices without concern about future financial distress because of short term zinc price negativity.

While the improvement in the price of zinc during 2009 was encouraging, the return of sufficient financial health to fund the capital expenditures and the re-opening of the Langlois Mine has been slower in coming and accordingly, it was not until recently that the company announced preliminary steps toward the reopening.

Under the new management of David Petroff since the last quarter of 2009, the company is undergoing a significant strategic review which is in the process of being completed. The business plan of Breakwater is simple; the company strives to be a consistent producer of zinc, copper, lead and precious metals, and to maximize shareholder value.

Eurogas Corporation

Dundee Corporation owns 54% of Eurogas. Eurogas Corporation announced the purchase of the largest accumulation of oil and natural gas assets in Ontario for $131 million. The acquisition has an effective date of March 1, 2010 and is expected to close on or about May 27, 2010.

The assets are composed of onshore and offshore oil and gas properties in and around Lake Erie, and will provide operating cash flows of at least $25 million per annum at current low natural gas price levels. This acquisition is consistent with our overall strategy of creating long-term value with inflation protection. Eurogas will be part of a stable foundation of high netback production with significant low risk development potential. Both oil and gas from Ontario sources attract premium prices due to their unique location adjacent to the large Ontario market.

The assets include growth possibilities from a significant number of development drilling locations as well as opportunities of well re-completions and the optimization of the existing infrastructure system. We expect further on-going opportunities, including the promising potential for natural gas storage and other Ontario acquisitions.

More specific details of the assets are as follows:

Acquisition Highlights

- 100% operated production
- 95% average working interest in 65,000 acres for onshore oil properties
- 65% working interest in 902,000 acres of offshore gas properties
- Current net production of 2,640 boed (790 bpd of 42^0 API oil and condensate; 11.1 MMcf/d gas)
- 65% ownership in offshore fleet of drilling and completion vessels
- 65% ownership in 3 gas plants and 3 compressor stations, all located onshore
- 100% ownership in 4 oil batteries onshore
- Ownership of 13,400 km of 2D seismic and 317 km2 of 3D seismic
- Potential for underground gas storage

Proved Reserves

Management, in conjunction with an independent engineering firm, estimates the reserves as follows:

- Gas: 66 Bcf with a reserve life index of 16.3 years
- Oil: 2.0 MMbbl with a reserve life index of 6.9 years

We have arranged to fund the entire Lake Erie acquisition by using Eurogas' current cash position of approximately $70 million and through a new bank facility for the difference.

These new assets will enhance our 54% interest in Eurogas which, along with its 25% in the $2 billion Castor gas storage project in Spain will allow the company to grow into a significant natural gas and oil producer and natural gas storage provider.

Concluding Remarks

The Dundee name continues to have considerable resonance in Canada and our strategy for overall corporate growth builds on that position. Our approach to managing change returns us to some of the fundamental values that have historically been our guide. In this respect, trust, service excellence, superior returns and committed management possessing proven expertise describe all of our businesses, from real estate to wealth management to resources.

There is no model that can be looked on to design a global management process and philosophy, but operating on a global basis still requires hard and fast rules. Management matters, particularly when it comes to corporate culture. Our principles of ethics, honesty and integrity must follow us everywhere.

We also see that our smaller size and a very short route to decision making gives us an advantage. We remember that Peter Drucker, a management guru, pointed to a Roman proverb that “a slave who has three masters is a free man.” We manage our company with our brains intact recognizing each time a message is relayed rather than coming direct, it doubles the noise and cuts the message in half.

We often talk about Dundee as a “business family” and many people do not really understand. The “Golden Rule” is the basic philosophy behind our view of a “business family”. It is known to both Christians and Jews as “love your neighbour as yourself” and was best described by Rabbi Hillel in the first century BC: “What is hateful unto you, do not do unto your neighbour”, he said. Implicit in that command, however, is the necessity that we love ourselves. There are many people who do not like themselves and they will not “make it” in the Dundee “business family”.

Thomas Jefferson was the third President of the United States from 1801-1809. He was the principal author of the US Declaration of Independence and one of the most influential of the founding fathers of the United States.

When President John F. Kennedy welcomed 49 Nobel Prize Winners to the White House in 1962 he said, “I think this is the most extraordinary collection of talent and of human knowledge that has ever been gathered together at the White House — with the possible exception of when Thomas Jefferson dined alone.”

The following quotes from Thomas Jefferson give proof to the salutation by President Kennedy:

“Our greatest happiness does not depend on the condition of life in which chance has placed us, but is always the result of a good conscience, good health, occupation and freedom in all pursuits.”

“To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical.”

“Determine never to be idle. No person will have occasion to complain of the want of time who never loses any. It is wonderful how much may be done if we are always doing.”

“He who knows best, knows how little he knows.”

“I like the dreams of the future better than the history of the past.”

“In matters of style, swim with the current; in matters of principle, stand like a rock.”

“Nothing gives one person so much advantage over another as to remain always cool and unruffled under all circumstances.”

“The democracy will cease to exist when you take away from those who are willing to work and give to those who would not.”

“It is incumbent on every generation to pay its own debts as it goes. A principle if acted on would save one-half the wars of the world.”

“I predict future happiness for Americans if they can prevent the government from wasting the labours of the people under the pretense of taking care of them.”

“My reading of history convinces me that most bad governments result from too much government.”

But most important of all, Thomas Jefferson said in 1802:

“I believe that banking institutions are more dangerous to our liberties than standing armies. If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and the corporations that will grow up around the banks will deprive the people of all property — until their children wake up homeless on the continent their fathers conquered.”

Sincerely,

Ned Goodman, CFA

Corporate Directory

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Normand Beauchamp
Michael Cooper
David Goodman
Jonathan Goodman
Ned Goodman
Harold (Sonny) Gordon, Q.C.
Ellis Jacob
Dr. Frederick H. Lowy
Garth A.C. MacRae
Robert McLeish
K. Barry Sparks
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Harold (Sonny) Gordon, Q.C.
Chairman

Ned Goodman
President & Chief Executive Officer

Lucie Presot
Vice President & Chief Financial Officer

Sivan Fox
Vice President, Legal

Kevin Ng
Vice President, Taxation

Perina Montesano
Vice President, Internal Audit

Lili Mance
Corporate Secretary

Executive Office

Dundee Place
1 Adelaide Street East, 28th Floor
Toronto, Ontario
M5C 2V9

www.dundeecorporation.com

Registrar and Transfer Agent

Computershare Investor Services Inc.
100 University Avenue
Toronto, Ontario M5J 2Y1

Toll Free: 1.800.564.6253
Fax: 1.888.453.0330
Email: service@computershare.com

Stock Listing

The Toronto Stock Exchange

Stock Symbol

DC.A

Shareholders' Annual and Special Meeting

June 7, 2010, 4:00 p.m. (EST)
Le Meridien King Edward, Sovereign Ballroom
37 King Street East
Toronto, Ontario M5C 1E9

Dundee Corporation

Dundee Place
1 Adelaide Street East, 28th Floor
Toronto, Ontario
M5C 2V9

www.dundeecorporation.com