DUNDEE CORPORATION

2013 SECOND QUARTER REPORT

DUNDEE CORPORATION
Management's Discussion and Analysis

Dundee Corporation (the "Corporation" or "Dundee Corporation") 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 Corporation is engaged in diverse business activities in the areas of its core competencies including energy, resources, agriculture, real estate and infrastructure.

This Management's Discussion and Analysis ("MD&A") has been prepared with an effective date of August 12, 2013 and provides an update on matters discussed in, and should be read in conjunction with the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2012 (the "2012 Audited Consolidated Financial Statements"), together with the accompanying MD&A for the year then ended, and with the unaudited condensed interim consolidated financial statements of the Corporation as at and for the three and six months ended June 30, 2013 (the "June 2013 Interim Consolidated Financial Statements"), all of which have been prepared using International Financial Reporting Standards ("IFRS"). All amounts in this MD&A are in Canadian dollars unless otherwise specified. Tabular dollar amounts, unless otherwise specified, are in thousands of dollars, except for per share or per unit amounts.

Performance Measures

The Corporation believes that important measures of operating performance, including the operating performance of its subsidiaries, include certain performance measures that are not defined under IFRS and as such, may not be comparable to similar performance measures used by other companies. Throughout this MD&A, there will be references to certain performance measures which management believes are relevant in assessing the economics of its business. While these performance measures are not formally recognized by IFRS, the Corporation believes that they are informative and provide further insight as supplementary measures to net earnings and cash flows.

- **"AUA" or "Assets under Administration"** represent the approximate period-end market value of client assets administered by the Corporation's brokerage subsidiaries and in respect of which these subsidiaries earn commission revenue and other similar fees from clients. AUA are not included in the Corporation's consolidated statements of financial position.
- **"AUM" or "Assets under Management"** represent the period-end market value of client assets managed by the Corporation's capital markets and asset management subsidiaries on a discretionary basis and in respect of which these subsidiaries earn management fee revenue and, in certain cases, performance fee revenue. AUM are not included in the Corporation's consolidated statements of financial position.
- **"Barrel of Oil Equivalent"** or "boe" is calculated at a barrel of oil conversion ratio of six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of oil (6 Mcf to 1 bbl), based on an energy equivalency conversion method which is primarily applicable at the burner tip and does not always represent a value equivalency at the wellhead.
- **"Contribution Margin" or "Margin"** is an important measure of earnings in each business segment and generally represents core revenues less cost of sales, and excludes related general and administrative expenses, depreciation and depletion, interest expense, and income taxes.
- **"Market Value"** is determined using quoted market prices, if available. Where quoted market values are not available, the Corporation may use cost as a proxy for market value or other indicative measures.
- **"Field Level Cash Flows"** is calculated as revenue from oil and natural gas sales, less royalties and cost of sales. Field level cash flows contribute to working capital, including debt management, as well as to the funding of capital expenditure requirements for the Corporation's resource-based business activities.
- **"Field Netbacks"** refer to field level cash flows expressed on a measurement unit or barrel of oil equivalent basis.

- **"Per Day Amount" or ("/d")** is used throughout this MD&A to reflect oil and gas production volumes on an average per day basis.
- **"Probable Reserves"** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining reserves quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
- **"Proved Reserves"** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining reserves quantities recovered will exceed the estimated proved reserves.
- **"Reserve Life Index"** is determined by dividing proved reserves by expected annual production. For greater certainty, the reserve life index includes only proved reserves and does not include probable or possible reserves.

SIGNIFICANT BUSINESSES AT JUNE 30, 2013

Business Entity	Business Activity	Percentage Ownership	Market Value ($000's)
Subsidiaries			
Dundee Energy Limited	Oil and gas exploration, development and production	58%	37,058
Eurogas International Inc.	Oil and gas exploration	53%	-
Nichromet Extraction Inc.	Patented metallurgical processing	76%	Private
United Hydrocarbon International Corp.	Oil and gas exploration and development	28%	Private
Blue Goose Capital Corp.	Production of clean protein	83%	Private
Goodman & Company, Investment Counsel Inc.	Asset management	100%	Private
Dundee Securities Ltd.*	Full service securities brokerage	100%	Private
Equity Accounted			
DREAM Unlimited Corp.	Land and housing development	29%	236,917
Dundee Precious Metals Inc.	International mining company	25%	146,522
Dundee Real Estate Investment Trust	Investment in affordable business premises	5%	159,141
Dundee International Real Estate Investment Trust	Commercial real estate investment outside Canada	9%	98,100
360 VOX Corporation	Residential, commercial and hospitality based real estate	18%	5,283
Escal UGS S.L.	Natural gas storage	14%	Private
Others	n/a	n/a	4,392
Direct Investments			
Direct investment in diverse industry sectors including:			
Brokerage securities owned and sold short	n/a	n/a	85,786
Publicly traded securities	n/a	n/a	468,765
Private investments	n/a	n/a	239,228
Mutual funds and short term investments	n/a	n/a	66
Debt securities	n/a	n/a	183,520
Warrants and options	n/a	n/a	1,411

* *Includes "Dundee Securities Europe LLP", "Dundee Securities Inc.", and "DCM Insurance Agency Ltd.", all of which are sister companies to Dundee Securities Ltd. "Dundee Capital Markets" and "Dundee Goodman Private Wealth" are divisions of Dundee Securities Ltd.*

STRATEGIC INITIATIVES

Distribution of Dundee Realty Corporation to Shareholders of the Corporation

The Corporation's initial venture into real estate operations transpired in 1989. From the outset, management has successfully identified and executed on opportunities for the benefit of the real estate business and the Corporation's shareholders, including the creation of Dundee Realty Corporation ("Dundee Realty"), which was originally established as a public company in 1996 and subsequently privatized in 2003.

On May 30, 2013, the Corporation completed a corporate restructuring, through a tax efficient plan of arrangement (the "Arrangement") that effectively distributed the majority of its interest in Dundee Realty to its shareholders, through the creation of a new public entity, DREAM Unlimited Corp. (“DREAM”). DREAM is currently one of Canada’s leading real estate companies, with over $13 billion of AUM in North America and Europe at June 30, 2013. 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 Corporation retained a 29% interest in DREAM under the terms of the Arrangement, providing it with an effective 20% interest in Dundee Realty.

The Arrangement provides shareholders of the Corporation with ownership of two separate investments, providing shareholders with additional investment flexibility with respect to exposure to each type of investment. Immediately following completion of the Arrangement, shareholders of the Corporation 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 Corporation prior to completion of the Arrangement. The table below illustrates the distribution received by shareholders of the Corporation pursuant to the terms of the 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 Shares, Series 1	Dundee Corporation $17.84 - 5% Cumulative First Preference Shares, Series 4 (TSX: DC.PR.C)	DREAM Unlimited Corp. $7.16 - 7% Cumulative Redeemable First Preference Shares, Series 1 (TSX: DRM.PR.A)
Dundee Corporation $25 - 6.75% Rate Reset First Preference Shares, Series 2 (TSX: DC.PR.B)	n/a	n/a

Additional information relating to the Arrangement, including a copy of the Corporation’s Management Information Circular may be found on SEDAR at *www.sedar.com* and on the Corporation’s website at *www.dundeecorp.com*. Additional information relating to DREAM may be found at *www.dream.ca*.

In accordance with accounting guidelines, the distribution of Dundee Realty to shareholders of the Corporation was accounted for in the June 2013 Interim Consolidated Financial Statements as a distribution of all of the underlying assets of Dundee Realty held by the Corporation, resulting in the inclusion in current period net earnings of a $599.4 million gain on distribution equal to the difference between (i) the carrying values of the underlying assets in Dundee Realty immediately prior to completion of the Arrangement; and (ii) the estimated fair value of the shares of DREAM distributed pursuant to the terms of the Arrangement.

For purposes of determining the fair value of the actual shares of DREAM distributed, the Corporation assumed a value of $12.39 per DREAM Class A subordinate voting share and per DREAM Class B common share (representing the volume weighted average trading price of the DREAM Class A subordinate voting shares during the five days following completion of the Arrangement), and an aggregate value of $43.8 million relating to the DREAM first preference shares, series 1.

Fair value of the distribution of assets		
DREAM Class A Subordinate Voting Shares	$	631,618
DREAM Class B Common Shares		38,611
DREAM First Preference Shares, Series 1		43,790
		714,019
Carrying value of net assets of Dundee Realty		(328,554)
Other comprehensive income reclassified to the statement of operations		408
Transaction costs accrued		(4,000)
Effect of distribution of assets on stock based compensation		(24,295)
Retained interest in DREAM		268,073
		625,651
Deferred income taxes on retained assets		(26,205)
Gain on distribution of assets, net of taxes	$	599,446

The Corporation's retained interest in DREAM consists of 21,636,222 DREAM Class A subordinate voting shares valued at the time of the Arrangement at $12.39, consistent with the value of the assets distributed.

Aggregate costs associated with the Arrangement are estimated at approximately $4 million. In addition, and as part of the Arrangement, the Corporation adjusted the settlement terms of its stock based compensation arrangements to provide holders thereof with an equivalent distribution entitlement provided to other shareholders as part of the Arrangement. These adjustments resulted in expected cash settlement of certain stock based compensation arrangements, which will track the underlying value of a DREAM Class A subordinate voting share. The adjustments to stock based compensation arrangements were initially recognized as liabilities of approximately $24.3 million in the Corporation's consolidated statement of financial position, and will be marked-to-market in subsequent financial reporting periods to reflect changes in the underlying value of the DREAM Class A subordinate voting shares.

A more detailed description of the carrying value of the various assets of Dundee Realty distributed as part of the Arrangement is provided in note 4 to the June 2013 Interim Consolidated Financial Statements. In addition, the Corporation has classified the operating results of Dundee Realty prior to completion of the Arrangement as discontinued operations in its June 2013 Interim Consolidated Financial Statements, including the comparative information provided for the six month period ended June 30, 2012. A more detailed description of the components of discontinued operations is provided in note 4 to the June 2013 Interim Consolidated Financial Statements.

EARLY ADOPTION OF IFRS 9

In concert with completion of the Arrangement as outlined above, the Corporation early adopted the issued phase of IFRS 9, *"Financial Instruments: Classification and Measurement"* for the classification and measurement of financial assets and liabilities. The decision to early adopt IFRS 9 as currently written significantly simplifies the Corporation's accounting for financial instruments and is expected to better reflect the business activities of the Corporation and its portfolio holdings following the distribution of a significant part of its real estate operations. Under this standard, the Corporation's investment portfolio will be measured primarily at fair value through profit and loss ("FVTPL"), including for those investments previously classified as available-for-sale.

Implementation of IFRS 9 will result in significant volatility in the Corporation's net earnings, as net earnings will include unrealized gains or losses in the Corporation's investment portfolio, reflecting changes in value as determined by equity and credit markets. The Corporation believes that equity and credit markets do not necessarily correctly reflect the underlying value of certain assets. As a consequence, management of the Corporation believes that the amount of unrealized gains or losses that will be included in net earnings in any given period typically provides little analytical or predictive value to the readers of the Corporation's financial information. Furthermore, the Corporation's investment decisions are not motivated by the short-term impact that the resulting gains or losses will have on reported earnings in any particular period. Retrospective application of IFRS 9 resulted in $64.9 million of net unrealized losses being transferred from accumulated other comprehensive income to retained earnings on January 1, 2012, as further described in note 2 to the June 2013 Interim Consolidated Financial Statements.

The implementation of IFRS 9 did not result in any significant changes to the measurement of the fair values of the Corporation's financial instruments.

RESULTS OF OPERATIONS

Six months ended June 30, 2013 compared with the six months ended June 30, 3012

Consolidated Net Earnings

During the six months ended June 30, 2013, the Corporation realized earnings attributable to owners of Dundee Corporation of $510.8 million or $9.37 per share. This compares to net earnings of $24.9 million or $0.38 per share attributable to owners of the Corporation during the same period of the prior year. Net earnings in the current year include an after-tax gain of $599.4 million following completion of the Arrangement and distribution of assets as outlined previously.

	Continuing Operations		Discontinued Operations		TOTAL	
For the six months ended June 30,	2013	2012	2013	2012	2013	2012
Net earnings before income taxes from:						
Dundee Realty Corporation	$ -	$ -	$ 51,807	$ 60,176	$ 51,807	$ 60,176
Corporate and other portfolio holdings	(147,952)	3,109	-	-	(147,952)	3,109
Dundee Energy Limited	(1,654)	(964)	-	-	(1,654)	(964)
Eurogas International Inc.	(430)	(439)	-	-	(430)	(439)
Nichromet Extraction Inc.	(1,780)	(1,699)	-	-	(1,780)	(1,699)
Blue Goose Capital Corp.	(6,252)	(473)	-	-	(6,252)	(473)
Goodman & Company, Investment Counsel Inc.	(1,377)	(1,527)	-	-	(1,377)	(1,527)
Dundee Securities Ltd.	(10,318)	(2,128)	-	-	(10,318)	(2,128)
Gain on distribution of assets	-	-	625,651	-	625,651	-
	(169,763)	(4,121)	677,458	60,176	507,695	56,055
Income taxes recovery (expense)	49,540	(3,685)	(40,689)	(16,086)	8,851	(19,771)
Net earnings for the period	**$ (120,223)**	**$ (7,806)**	**$ 636,769**	**$ 44,090**	**$ 516,546**	**$ 36,284**
Net earnings attributable to:						
Owners of the parent	$ (115,890)	$ (6,661)	$ 626,709	$ 31,548	$ 510,819	$ 24,887
Non-controlling interest	(4,333)	(1,145)	10,060	12,542	5,727	11,397
	$ (120,223)	**$ (7,806)**	**$ 636,769**	**$ 44,090**	**$ 516,546**	**$ 36,284**

The Corporation incurred a net loss from continuing operations attributable to owners of Dundee Corporation of $115.9 million in the six months ended June 30, 2013, representing a loss of $2.22 per share. During the first half of the prior year, the Corporation incurred a net loss of $6.7 million or $0.20 per share from continuing operations.

Included in net earnings, and significantly contributing to the increased loss from continuing operations on a period-over-period basis is $172.3 million of unrealized losses relating to the Corporation's investment portfolio (six months ended June 30, 2012 – gain of $5.7 million). The pre-tax loss incurred during the current period is reflective of global market conditions, and the downward pressure exerted on the resource sector in particular, in which the Corporation's portfolio is heavily weighted.

A more detailed discussion of the results of operations of each of the Corporation's business segments, including the operating results of the Corporation's investment portfolio, is presented under *"Segmented Results of Operations"* in this MD&A.

Segmented Results of Operations

CORPORATE AND OTHER PORTFOLIO INVESTMENTS

Equity Accounted Investments

At June 30, 2013, the Corporation's equity accounted investments had a carrying value of $738.7 million and an estimated market value of $650.4 million.

As at		June 30, 2013			December 31, 2012		
Trade Symbol	Investment	Ownership	Carrying Value	Market Value	Ownership	Carrying Value	Market Value
DRM	DREAM Unlimited Corp	29%	$ 273,904	$ 236,917	n/a	$ n/a	$ n/a
DPM	Dundee Precious Metals Inc.	25%	189,209	146,522	23%	136,328	242,529
D.UN	Dundee Real Estate Investment Trust	5%	176,610	159,141	6%	208,326	225,382
DI.UN	Dundee International Real Estate Investment Trust	9%	88,838	98,100	18%	106,603	138,880
VOX	360 VOX Corporation	18%	4,349	5,283	22%	5,378	6,484
CRG	Corona Gold Corporation	23%	3,864	2,336	23%	4,705	3,231
RYG	Ryan Gold Corp.	12%	1,601	1,601	12%	2,785	2,785
ODX	Odyssey Resources Limited	31%	351	455	31%	411	1,307
n/a	Escal UGS S.L.*	14%	-	-	14%	-	-
			$ 738,726	**$ 650,355**		**$ 464,536**	**$ 620,598**

* Dundee Energy Limited's 74% owned subsidiary, Castor UGS Limited Partnership, holds a 33% interest in Escal UGS S.L. giving Dundee Energy Limited an effective 25% interest and Dundee Corporation an effective 14% interest. As there are no publicly traded market values for Escal UGS S.L., in determining market value, the Corporation has not included any market appreciation or depreciation on this investment from its current carrying value.

In connection with the distribution of assets to shareholders pursuant to the Arrangement with Dundee Realty, the Corporation retained 21,636,222 Class A subordinate voting shares of DREAM, which represented a 29% interest in DREAM and a 20% indirect interest in Dundee Realty. The Corporation's initial investment in DREAM was recognized at $12.39 per share, representing the estimated fair value of the DREAM Class A subordinate voting share on May 30, 2013, the effective date of the Arrangement. Concurrently, the Corporation reflected a distribution of a portion of its investment in Dundee Real Estate Investment Trust ("Dundee REIT") and Dundee International Real Estate Investment Trust ("Dundee International REIT") that was attributed to its holdings in Dundee Realty. Earnings allocated to Dundee Realty's investment in each of Dundee REIT and Dundee International REIT have been classified as discontinued operations in the June 2013 Interim Consolidated Financial Statements.

On May 9, 2013, the shareholders of Dundee Precious Metals Inc. ("Dundee Precious") approved a warrant incentive program to encourage early exercise of outstanding warrants. The Corporation elected to participate in the incentive program and, accordingly, during the second quarter of 2013, the Corporation exercised warrants to acquire 3,561,000 common shares of Dundee Precious for cash consideration of $10.1 million. The estimated fair value of the Dundee Precious warrants immediately prior to exercise was $17.7 million and had been included in the Corporation's investment portfolio. Upon exercise of the warrants, this amount was reclassified to the carrying value of Dundee Precious on an equity basis. In addition to the exercise of warrants as outlined above, during the six months ended June 30, 2013, the Corporation acquired 2,424,152 common shares of Dundee Precious in the open market for cash consideration of $17.2 million.

		Six months ended June 30, 2013	
		Continuing Operations	Discontinued Operations
Carrying value of equity accounted investments, beginning of period	$	464,536	$ -
Equity carrying value of discontinued ownership in:			
Dundee Real Estate Investment Trust		(38,868)	38,868
Dundee International Real Estate Investment Trust		(23,319)	23,319
Transactions during the six months ended June 30, 2013			
Cash invested in equity accounted investments		27,382	-
Transfer of carrying value from investment portfolio		17,698	-
Share of earnings from equity accounted investments		26,682	3,265
Share of other comprehensive income from equity accounted investments		6,371	643
Distributions received, net of reinvestments		(9,422)	(943)
Acquisition of DREAM pursuant to Arrangement with Dundee Realty		268,073	-
Other		(407)	-
Assets distributed pursuant to Arrangement with Dundee Realty			
Dundee Real Estate Investment Trust		-	(40,948)
Dundee International Real Estate Investment Trust		-	(24,204)
Carrying value of equity accounted investments, end of period	**$**	**738,726**	**$ -**

The Corporation realized earnings of $26.7 million from these equity accounted investments (six months ended June 30, 2012 – $18.0 million), including dilution gains of $7.5 million.

For the six months ended		June 30, 2013		June 30, 2012
DREAM Unlimited Corp.	$	6,373	$	-
Dundee Precious Metals Inc.		4,718		6,665
Dundee Real Estate Investment Trust		12,853		6,423
Dundee International Real Estate Investment Trust		5,254		5,631
360 VOX Corporation		(1,062)		(575)
Corona Gold Corporation		(230)		315
Ryan Gold Corp.		(1,164)		(408)
Odyssey Resources Limited		(60)		(63)
Escal UGS S.L.		-		-
	$	**26,682**	**$**	**17,988**

Dream Unlimited Corp.

DREAM reported total revenues of $235.2 million during the first six months of 2013, an increase of 24% over revenues of $189.7 million earned in the first six months of 2012. Correspondingly, net income attributable to DREAM shareholders increased to $46.5 million during the first half of 2013, compared with $29.2 million in the same period of 2012. The nature of revenues generated by DREAM is dependent on sales of specific projects and is dictated by the marketplace and the availability of buyers, as well as unpredictable weather-related factors. Also, DREAM does not generally bring land inventory to the market continuously throughout the year, but rather land is released when it is ready for sale. As a consequence, revenues and net earnings are inherently seasonal, with highest sales volumes typically experienced in the fourth quarter of the year, and with the first quarter traditionally showing the lowest volume levels.

As the Corporation began to account for DREAM on an equity basis following completion of the Arrangement with Dundee Realty, the Corporation recognized equity earnings of $6.4 million, representing its share of earnings of DREAM since May 30, 2013. At June 30, 2013, the Corporation held 21.6 million common shares of DREAM with a market value of $236.9 million, representing a 29% equity interest.

Dundee Precious Metals Inc.

Dundee Precious *(www.dundeeprecious.com)* is a Canadian based international mining company engaged in the acquisition, exploration, development, mining and processing of precious and base metals in Bulgaria, Namibia, Armenia and Serbia.

During the six months ended June 30, 2013, revenue from sales generated by Dundee Precious was US$168.2 million, a decrease of US$14.1 million from revenue of US$182.3 million generated in the same period of the prior year. The decline was mainly attributable to lower metal prices, partially offset by higher volumes of concentrate smelted, higher tolling rates and higher payable gold and copper in concentrate sold. Revenue less cost of sales ("gross profit") from mining operations was US$40.6 million during the six months ended June 30, 2013, compared with US$76.5 million in the same period of the prior year. The decrease in gross profit is consistent with the decline in net revenue, reflecting lower metal prices, higher depreciation from the recently completed mine and mill expansion project and higher treatment charges, partially offset by higher volumes of concentrates sold.

Dundee Precious reported net earnings attributable to common shareholders of US$16.6 million during the six months ended June 30, 2013, compared with US$17.8 million in the same period of the prior year. This decrease was due primarily to lower metal prices, higher operating expenses, a higher cost per tonne of concentrate sold and higher depreciation. These unfavourable variances were partially offset by reduced exploration activities, higher volumes of payable gold and copper in concentrate sold, higher volumes of concentrate smelted and higher tolling rates.

The Corporation's share of earnings from its investment in Dundee Precious was $4.7 million during the first half of 2013 (six months ended June 30, 2012 – $6.7 million). At June 30, 2013, the Corporation held 34.7 million common shares of Dundee Precious with a market value of $146.5 million, representing a 25% equity interest.

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 first half of 2013, Dundee REIT completed approximately $457 million of portfolio acquisitions, adding approximately 1.5 million square feet of gross leaseable area ("GLA"). At June 30, 2013, Dundee REIT's portfolio consisted of approximately 24.2 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 first half of 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. In addition, Dundee REIT completed the issuance of $175 million aggregate principal amount of series A senior unsecured debentures, which bears interest at 3.424% per annum and will mature on June 13, 2018. The Corporation did not participate in either of the offerings, resulting in a dilution of the Corporation's interest to 5.0% at the end of June 2013.

Dundee REIT generated net earnings of $292.9 million in the six months ended June 30, 2013 (six months ended June 30, 2012 – $99.6 million), including an estimated fair value gain of $88.1 million (six months ended June 30, 2012 – $42.7 million) in respect of Dundee REIT's investment properties and an estimated fair value gain of $45.3 million (six months ended June 30, 2012 – fair value loss of $24.8 million) in respect of joint venture investment properties. Changes in estimated fair values of investment properties may cause significant variations in net earnings.

The Corporation's share of earnings from its investment in Dundee REIT for the six months ended June 30, 2013 was $12.9 million (six months ended June 30, 2012 – $6.4 million) and, during this period, it received cash distributions from Dundee REIT of $5.4 million (six months ended June 30, 2012 – $4.9 million). At June 30, 2013, the Corporation held 4.9 million units of Dundee REIT with a market value of $159.1 million, representing a 5% equity interest. The Corporation continues to account for its investment in Dundee REIT on an equity basis, as it continues to exert significant influence over the operations and financial results of Dundee REIT.

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. At June 30, 2013, Dundee International REIT's portfolio consisted of approximately 15.4 million square feet (December 31, 2012 – 13.2 million square feet) of GLA, all located in Germany.

On March 15, 2013, Dundee International REIT completed the acquisition of 11 office properties in Germany, comprising 1.5 million square feet, for approximately $559 million. In order to provide partial funding for the acquisition, Dundee International REIT issued 23.2 million units for gross proceeds of $253.2 million. During the second quarter of 2013, Dundee International REIT acquired two additional office properties in Berlin and Munich, the two largest office markets in Germany, for aggregate consideration of approximately $141.3 million, partially funded through the issuance of an additional 13.1 million units for gross proceeds of $140.7 million. These transactions diluted the Corporation's interest in Dundee International REIT to 9% at June 30, 2013 (December 31, 2012 – 18%).

Dundee International REIT reported a net loss during the first six months of 2013 of $10.2 million (six months ended June 30, 2012 – net earnings of $15.9 million), including estimated fair value depreciation of $54.9 million in respect of Dundee International REIT's investment properties.

The Corporation's share of the net loss from its investment in Dundee International REIT during the six months ended June 30, 2013 was $0.7 million. However, equity losses were offset by a dilution gain of $6.0 million relating to the equity issues completed by Dundee International REIT as outlined above. During the six months ended June 30, 2013, the Corporation received cash distributions from Dundee International REIT of $4.0 million (six months ended June 30, 2012 – $4.0 million). At June 30, 2013, the Corporation held 10 million units of Dundee International REIT with a market value of $98.1 million, representing a 9% equity interest. Similar to its investment in Dundee REIT, the Corporation continues to account for its investment in Dundee International REIT on an equity basis, as it continues to exert significant influence over its operations and financial results.

The Corporation has also entered into a sub-participation agreement for €28.9 million with a Canadian chartered bank pursuant to which the Corporation agreed to participate in the Canadian bank's participation in Dundee International REIT's credit facility. At June 30, 2013, amounts outstanding pursuant to these arrangements were €28.5 million (December 31, 2012 – €28.8 million).

360 VOX Corporation ("360 VOX")

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, developing and marketing residential, commercial and hospitality-based real estate projects, both directly and through joint ventures. During the six months ended June 30, 2013, equity losses from the Corporation's investment in 360 VOX were $1.1 million (six months ended June 30, 2012 – $0.6 million).

During the second quarter of 2013, the Corporation acquired 8,800 units of 360 VOX issued under a private placement at a price of $1,000 per unit. Each unit consisted of one convertible unsecured debenture of 360 VOX at a principal amount of $1,000 and 2,380 common share purchase warrants. Each warrant entitles the Corporation to one common share of 360 VOX at an exercise price of $0.30 per warrant for a period of 36 months. At June 30, 2013, Dundee Corporation held 48 million shares of 360 VOX with a market value of $5.3 million.

Ryan Gold Corp. ("Ryan Gold")

The Corporation holds a 12% interest in Ryan Gold, a publicly traded prospective gold exploration company. During the six months ended June 30, 2013, the Corporation's share of equity losses from its investment in Ryan Gold was $1.2 million (six months ended June 30, 2012 – $0.4 million).

Other Equity Accounted Resource Investments

Other equity accounted resource investments include Odyssey Resources Limited and Corona Gold Corporation. The market value of these investments was $2.8 million as at June 30, 2013, compared with $4.5 million at December 31, 2012. During the six months ended June 30, 2013, the Corporation's share of losses from these investments was $0.3 million (six months ended June 30, 2012 – gain of $0.3 million).

Portfolio Investments

Dundee Corporation's portfolio of investments includes several public and private investments in a variety of industry sectors. At June 30, 2013, the aggregate market value of the Corporation's investment portfolio was $893.0 million, including $269.8 million related to the Corporation's investment in The Bank of Nova Scotia ("Scotiabank").

		Six months ended June 30, 2013
Market value of investments, beginning of period	$	1,228,512
Transactions during the period		
New investments		200,111
Proceeds from sales of investments		(280,501)
Changes in market values		(176,778)
Consolidation of United Hydrocarbon International Corp.		(73,831)
Transfer of investment in warrants of Dundee Precious Metals Inc. to equity accounted investments		(17,698)
Other transactions		13,175
Market value of investments, end of period	**$**	**892,990**
Represented by:		
Publicly traded securities	$	468,765
Private investments		239,228
Mutual funds and other short term investments		66
Debt securities (at amortized cost)		183,520
Warrants and options		1,411
	$	**892,990**

During the six months ended June 30, 2013, the Corporation invested a total of $200.1 million in new portfolio investments or in increasing its interest in existing portfolio investments. New investments completed during the first half of 2013 were predominantly in the energy and resource sector and included a significant number of investments in private companies. Proceeds from sales of investments were $280.5 million in the first six months of 2013, and included $162.0 million and $69.2 million from sales of common and preferred shares of Scotiabank, respectively.

Income from Corporate Investments

During the six months ended June 30, 2013, the Corporation's miscellaneous revenue earned was $25.1 million (six months ended June 30, 2012 – $25.7 million), and included interest and dividends earned from cash resources and from its various corporate investments. Included in miscellaneous revenue is dividend revenue of $8.1 million (six months ended June 30, 2012 – $19.2 million) from the Corporation's investment in Scotiabank.

Following implementation of IFRS 9, the Corporation's net earnings include the effect of changes in the value of the Corporation's investments, whether unrealized or whether through sale of the underlying investment. During the six months ended June 30, 2013, the Corporation realized a loss from sales of investments of $4.5 million (six months ended June 30, 2012 – loss of $14.7 million).

	For the six months ended June 30, 2013		For the six months ended June 30, 2012	
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (4,142)	$ (134,309)	$ (14,806)	$ 11,531
Private investments	183	(28,479)	64	(17,710)
Mutual funds and other short term investments	861	(1,252)	-	173
Debt securities	(1,393)	(4,609)	-	(3,523)
Warrants and options	1	(3,639)	(3)	15,241
	$ (4,490)	**$ (172,288)**	**$ (14,745)**	**$ 5,712**

Changes in unrealized depreciation in the Corporation's investment portfolio since December 31, 2012 was $172.3 million (six months ended June 30, 2012 – unrealized appreciation of $5.7 million). Ongoing sovereign debt issues in Europe, compounded by reports of slowing growth in emerging markets including China, have raised concerns over global demand for resources. The Corporation's investment portfolio is particularly vulnerable to risks from declines in commodity prices, given its focus within the energy and resource sectors. These concerns have had a significant effect of the performance of the Corporation's portfolio during the first six months of 2013.

DUNDEE ENERGY LIMITED

Dundee Energy Limited ("Dundee Energy") (www.dundee-energy.com) is a Canadian-based company focused on creating long-term value through the development and acquisition of high-impact energy projects. Dundee Energy's common shares trade on the TSX under the symbol "DEN". Dundee Energy holds interests, both directly and indirectly, in the largest accumulation of producing oil and natural gas assets in southern Ontario and in the development of an offshore underground natural gas storage facility in Spain.

During the six months ended June 30, 2013, Dundee Energy incurred a loss attributable to the owners of Dundee Corporation of $1.0 million. This compares to a loss of $0.6 million during the six months ended June 30, 2012. During the first half of 2013, results from Dundee Energy's southern Ontario assets were adversely affected by a mark-to-market loss of $0.2 million relating to risk management contracts, compared with a mark-to-market gain of $2.8 million realized in the first half of the prior year.

RESULTS OF OPERATIONS

For the six months ended June 30,	2013	2012
Revenues		
Oil and gas sales	$ 15,604	$ 15,617
Interest and dividends	111	59
	15,715	15,676
Cost of sales	(6,395)	(6,180)
Other items in net earnings before taxes		
Depreciation and depletion	(6,001)	(7,428)
General and administrative	(2,905)	(3,586)
(Loss) gain on derivative financial instruments	(152)	2,767
Interest expense	(2,101)	(2,153)
Foreign exchange gain (loss)	185	(60)
Net earnings before taxes, Dundee Energy Limited	**$ (1,654)**	**$ (964)**
Net earnings before taxes, Dundee Energy Limited attributable to:		
Owners of Dundee Corporation	$ (978)	$ (612)
Non-controlling interest	(676)	(352)
Net earnings before taxes, Dundee Energy Limited	**$ (1,654)**	**$ (964)**

Field Level Cash Flows and Field Netbacks

During the six months ended June 30, 2013, Dundee Energy earned field level cash flows, before realized amounts related to risk management contracts, of $9.2 million or $23.62/boe compared with $9.4 million or $21.00/boe earned in the same period of the prior year.

Field level cash flows from natural gas, before realized amounts related to risk management contracts, increased over 88% to $2.8 million, compared with $1.5 million during the same period of the prior year, reflecting improved realized prices. However Dundee Energy's risk management contracts adversely affected field level cash flows during the first half of 2013. Resulting field netbacks were $1.51/Mcf in the current period, a decrease of 21% from field netbacks of $1.90/Mcf generated in the same period of the prior year.

Field level cash flows from oil and liquids, before realized amounts related to risk management contracts, fell to $6.4 million during the first half of 2013, from $7.9 million in the same period of 2012, primarily from a decrease in production volumes, offset marginally by improved realized prices. Field netbacks were $56.16/bbl during the first half of 2013, compared with $54.85/bbl in the six months ended June 30, 2012.

For the six months ended June 30,			2013			2012
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
Total sales	$ 7,239	$ 11,155	$ 18,394	$ 5,383	$ 12,956	$ 18,339
Royalties	(1,084)	(1,706)	(2,790)	(805)	(1,917)	(2,722)
Production expenditures	(3,334)	(3,061)	(6,395)	(3,080)	(3,100)	(6,180)
	2,821	6,388	9,209	1,498	7,939	9,437
Realized risk management (loss) gain	(381)	380	(1)	2,008	(139)	1,869
Field level cash flows	$ 2,440	$ 6,768	$ 9,208	$ 3,506	$ 7,800	$ 11,306

For the six months ended June 30,			2013			2012
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
	$/Mcf	$/bbl	$/boe	$/Mcf	$/bbl	$/boe
Total sales	$ 4.48	$ 92.56	$ 47.17	$ 2.92	$ 91.13	$ 40.81
Royalties	(0.67)	(14.15)	(7.15)	(0.44)	(13.49)	(6.06)
Production expenditures	(2.06)	(25.40)	(16.40)	(1.67)	(21.81)	(13.75)
	1.75	53.01	23.62	0.81	55.83	21.00
Realized risk management (loss) gain	(0.24)	3.15	-	1.09	(0.98)	4.16
Field netbacks	$ 1.51	$ 56.16	$ 23.62	$ 1.90	$ 54.85	$ 25.16

Prices for natural gas in North America trended higher during the first half of 2013, reflecting an extended winter season on the eastern coast of North America, forecasted warmer-than-average temperatures in the then upcoming summer months, and speculation of rising exporting prospects in the United States. Dundee Energy realized an average price on sales of natural gas of $4.48/Mcf during the six months ended June 30, 2013, an increase of 53% from the average price of $2.92/Mcf realized in the same period of the prior year. Due to the proximity of Dundee Energy's operations to the Dawn Hub, a leading provider of natural gas supply to the greater Toronto market area, Dundee Energy's realized price from sales of natural gas continues to include a positive basis differential from the average industry benchmarks.

During the second quarter of 2013, concerns that slower global growth would reduce the demand for energy, compounded by higher inventory levels in the United States, exerted downward pressure on the price of crude oil. On an average basis, and despite a marked increase in late June, the West Texas Intermediate ("WTI") price for crude oil averaged US$94.18/bbl during the first half of 2013, down approximately 4% from an average of US$98.19/bbl in the first six months of the prior year, and down 2% from an average of $94.33/bbl in the first quarter of 2013. During this period, Dundee Energy realized an average price of $94.22/bbl on sales of crude oil, an increase of 2% over an average price of $92.36/bbl realized during the first half of the prior year. The increase reflects a realignment of Dundee Energy's crude oil marketing contracts, whereby the sales price received is based on the higher-priced WTI benchmark rather than the Edmonton Par price.

In order to mitigate its exposure to price volatility, Dundee Energy may, from time to time, enter into fixed price commodity contracts. These price risk management strategies assist Dundee Energy in securing a stable amount of cash flow to protect a desired level of capital spending and for debt management. Dundee Energy's risk management contracts at June 30, 2013 had a positive value of $0.1 million. An unrealized risk management gain or loss may or may not be realized in subsequent periods, depending upon subsequent fluctuations in commodity prices or foreign exchange rates affecting the risk management contracts.

CHANGES IN FINANCIAL CONDITION

Rights Offering

On April 5, 2013, Dundee Energy completed a rights offering for aggregate gross proceeds of $8.9 million. Pursuant to the rights offering, Dundee Energy issued 5.7 million common shares at a price of $0.34 per common share and it issued 17.8 million flow-through common shares at a price of $0.39 per flow-through common share. Dundee Energy incurred costs of $0.3 million to complete the rights offering. The Corporation purchased 15.8 million flow-through common shares pursuant to the transaction at a cost of $6.2 million. The purchase increased the Corporation's interest in Dundee Energy to 58%.

Dundee Energy has determined that approximately $1.8 million of capital expenditures incurred during the first six months of 2013 qualify as Canadian exploration expenditures and are available for renunciation to flow-through shareholders, including amounts allocated to the Corporation pursuant to its purchase of flow-through common shares.

Capital Expenditures

Dundee Energy incurred capital expenditures of $5.4 million in the first half of 2013, compared to $5.9 million in the same period of the prior year, primarily in southern Ontario. Following completion of its rights offering, Dundee Energy revised its planned 2013 work program, increasing its planned spending to $13.2 million, including $7.8 million on exploration activities that it intends to incur over the remainder of 2013. Dundee Energy's intent is to focus its efforts on the addition of new oil reserves in order to increase production. Consequently, approximately $7.2 million of the remaining 2013 work program will be directed to onshore oil projects, with the balance of $0.6 million reserved for natural gas projects.

Demand Revolving Credit Facilities

Dundee Energy Limited Partnership ("DELP"), a subsidiary of Dundee Energy, has established a $70.0 million credit facility with a Canadian chartered bank. The credit facility is structured as a demand revolving loan, and is subject to a tiered interest rate structure that varies based on the net debt to cash flow ratio generated by DELP. Based on current ratios, draws on the credit facility bear interest at prime plus 3% for loans and letters of credit or, for bankers' acceptances, at the bankers' acceptance rate plus 4%. At June 30, 2013, an aggregate of $55.1 million had been drawn against the facility.

Subsequent to June 30, 2013, the interest rate structure of DELP's credit facility was amended, increasing the interest rate to the bank's prime lending rate plus 3.5% for loans or letters of credit, or, for bankers' acceptances, to the bank's then prevailing bankers' acceptance rate plus 4.5%. The amended agreement provides for standby fees of 0.55% on unused amounts under the credit facility. There were no other material changes to the terms of the credit facility as a result of the amendment.

Escal UGS S.L. ("Escal")

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. Dundee Energy accounts for its investment in Escal on an equity basis.

On July 26, 2013, Escal announced that it had arranged for the issuance of euro-denominated senior secured bonds (the "Euro Bonds") totalling €1.40 billion. The Euro Bonds are subject to an annual interest rate of 5.756%, payable semi-annually, and are repayable in equal semi-annual installments over a period of 21 and a half years, with the last payment due in December 2034. The Euro Bonds will be issued by a special purpose vehicle, Watercraft Capital S.A. ("Watercraft"), a Luxembourg corporation. The proceeds from the issuance will be subsequently on-lent to Escal, pursuant to a credit facility between Watercraft and Escal and will be used by Escal to repay amounts owing pursuant to Escal's existing project financing. The Euro Bonds are listed on the Luxembourg stock exchange and additional information in respect thereof may be accessed at *www.bourse.lu/home* by referencing ISIN code XS0943010503.

Escal will provide a general security interest against its assets for the benefit of Watercraft to secure Escal's obligations under these arrangements, and the shareholders of Escal shall pledge their respective shares in Escal as part of the overall security package. In addition, the European Investment Bank has committed to provide a standby letter of credit as a form of subordinated credit enhancement instrument in support of the Euro Bonds. The Euro Bonds have been issued a BBB+ rating from Fitch Ratings, Inc. and a rating of BBB from Standard & Poor's.

Escal reached an agreement with Enagas S.A., the leading gas transporter in Spain, to provide the 600 million cubic metres of cushion gas required for completion of the Castor Project. During the second quarter of 2013, Enagas S.A. completed the acquisition of approximately 150 million cubic metres of natural gas, of which 15 million cubic metres were used to test the onshore compression facilities, and then injected into the reservoir. The balance will be delivered during August and September of this year. Procurement initiatives are underway for additional volumes.

The technical and economic audits that are required for inclusion of the Castor Project to the Spanish gas system have recently commenced. Once completed, the investment base for remuneration will be determined. For remuneration purposes, the end of the capital investment period is deemed to be July 5, 2012, the date of receipt by Escal of the Provisional Commissioning Act. Escal currently anticipates that the necessary audits will be completed late in the fourth quarter of 2013.

EUROGAS INTERNATIONAL INC.

Eurogas International Inc. ("EII") (*www.eurogasinternational.com*), is currently conducting exploration and evaluation programs for oil and natural gas in the shallow Mediterranean waters offshore Tunisia, where it holds a 45% working interest in the Sfax permit ("Sfax Permit"). The carrying value of EII's Tunisian properties at June 30, 2013 was $11.2 million (December 31, 2012 – $10.3 million).

In November 2012, EII announced that, together with its joint venture partner, Atlas Petroleum Exploration Worldwide Ltd., it had received approval from the Tunisian regulatory authorities for a renewal of the Sfax Permit from December 9, 2012 to December 8, 2015 (the "First Renewal Period"). As part of the renewal, the Tunisian authorities agreed to transfer EII's obligation to drill one exploration well, with depth to a specified geological zone (the "Initial Well Obligation") to the First Renewal Period. In addition to the Initial Well Obligation, the First Renewal Period carries an additional one-well drilling obligation (the "First Renewal Well Obligation"), with sufficient depth to enable an appropriate assessment of potential reserves.

In June 2013, EII announced that, together with its joint venture partner, it had entered into a farmout agreement with DNO Tunisia AS ("DNO") with respect to the Sfax Permit and the associated Ras El Besh development concession (the "DNO Agreement"). DNO is a wholly-owned subsidiary of DNO International ASA, an Oslo-listed company with significant expertise in the oil and gas industry across the Middle East and Africa. The DNO Agreement provides DNO with an 87.5% participating interest in the Sfax Permit in exchange for (i) a US$6 million cash payment to the Joint Venture, EII's share of which approximates US$2.7 million; and (ii) the carrying of 100% of all future costs associated with the Sfax Permit, including EII's commitments pursuant to the Initial Well Obligation and the First Renewal Well Obligation as noted above. As part of these arrangements, DNO will assume all obligations of operatorship.

The completion of the DNO Agreement is conditional on the approval by the relevant Tunisian authorities of the terms of the DNO Agreement, including the appointment of DNO as the operator, and is subject to other normal conditions of closing, including the absence of a material adverse change. Completion of the farmout agreement is expected in the third quarter of the current year.

During the six months ended June 30, 2013, EII incurred a loss before income taxes of $0.4 million (six months ended June 30, 2012 – $0.4 million).

NICHROMET EXTRACTION INC.

Nichromet Extraction Inc. ("Nichromet") *(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. At June 30, 2013, the Corporation held a 76% interest in Nichromet. Subsequent to June 30, 2013, the Corporation invested a further $5.0 million in Nichromet, increasing its ownership interest to 82%. Reflective of its current stage of development, Nichromet does not report any revenues and, during the six months ended June 30, 2013, it incurred a loss before income taxes of $1.8 million (six months ended June 30, 2012 – $1.7 million).

In February 2013, Nichromet 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 $23 million. The grant is a strong endorsement of Nichromet's scientific advancements and technological process towards commercialization of its patented processes. The Corporation has indicated to Nichromet its intent to assist with obtaining the necessary financing to complete the project.

UNITED HYDROCARBON INTERNATIONAL CORP.

Through a series of transactions, the Corporation has acquired 27.4 million shares or 28% 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. During the second quarter of 2013, and in addition to its investment in shares of United Hydrocarbon, the Corporation advanced $46.8 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. The Corporation's investment in the senior secured convertible debentures, and the granting to the Corporation of share purchase warrants, provides the Corporation with the ability to control the business activities of United Hydrocarbon and, accordingly, the Corporation began to account for its investment in United Hydrocarbon on a consolidated basis effective June 30, 2013. The Corporation's initial carrying value in the net assets of United Hydrocarbon is illustrated in the table below. As the Corporation began to account for its investment in United Hydrocarbon on a consolidated basis effective June 2013, net earnings of the Corporation do not reflect any operating losses incurred by United Hydrocarbon.

Net assets acquired:		
Resource properties	$	127,565
Cash		9,350
Other assets		1,907
Assumed liabilities		(2,657)
Debt due to Dundee Corporation*		(46,827)
		89,338
Allocated to non-controlling interest		(62,334)
	$	27,004
Aggregate consideration transferred:		
Cash paid for shares	$	27,004
	$	27,004

* *Eliminated in the June 2013 Interim Consolidated Financial Statements*

In May 2012, United Hydrocarbon acquired the exclusive right to explore and develop oil and gas reserves and resources in the contractual zones of Doba Basin, Lake Chad and Largeau III blocks, pursuant to a production sharing contract with the Government of Chad, subject to a prepayment of a signature bonus of US$92.2 million. The production sharing contract covers a total area of approximately 21,379 km^2 and carries a work commitment over the primary 5-year term of US$75 million.

United Hydrocarbon is currently conducting a comprehensive review of the technical data accumulated in previous years. Based on this review, United Hydrocarbon has identified discoveries and numerous exploration prospects. United Hydrocarbon intends to initially focus on existing discoveries in the Doba Basin to establish production and cash flow to fund ongoing exploration and development work. Future exploration work will evaluate other Doba Basin prospects as well as the potential of Lake Chad. A drilling program is expected to commence before the end of 2013 on the two Doba Basin blocks to prove up existing discoveries and evaluate drill-ready exploration prospects.

BLUE GOOSE CAPITAL CORP.

At June 30, 2013, the Corporation held an 83% interest in Blue Goose Capital Corp. ("Blue Goose"), a Canadian private company focused on the production of clean protein. Blue Goose is pursuing an aggressive program to expand its clean protein operations, including $55.1 million of new acquisitions completed during the first half of 2013.

		Owl Creek Ranch		Diamond "S" Ranch		North Wind Fisheries		Fischer Feeds Limited		Limberlost Stone Inc.		Other Acquisitions		TOTAL
Net assets acquired:														
Capital assets														
Land and Buildings	$	19,033	$	13,595	$	83	$	2,440	$	800	$	4,901	$	40,852
Other tangible assets		-		400		280		5,649		743		825		7,897
Livestock														
Biological assets		-		1,185		837		-		-		31		2,053
Inventory		-		100		-		1,173		946		16		2,235
Resource properties		-		-		-		-		5,246		-		5,246
Working capital acquired		(485)		(500)		(100)		619		(2,635)		(49)		(3,150)
	$	18,548	$	14,780	$	1,100	$	9,881	$	5,100	$	5,724	$	55,133
Aggregate consideration transferred														
Cash													$	52,833
Consideration held back														2,300
													$	55,133

Included in acquisitions is the 18,000 acre Owl Creek Ranch in Colorado. The Owl Creek Ranch was acquired by Blue Goose to support the expanding operations of Emma Farms Cattle Company ("Emma Farms"), which was acquired by Blue Goose in 2012, as its first venture into the Wagyu cattle breed. In addition to prime grazing land, the Owl Creek Ranch produces large quantities of high quality hay, and the purchase included both water and mineral rights on the property. The acquisition facilitates Blue Goose's planned increase of its Wagyu herd size in the coming years. Emma Farms currently sells to five-star restaurants in Colorado and, as the herd size increases, Blue Goose plans to increase sales volumes to upscale restaurants throughout the United States.

On March 20, 2013, Blue Goose acquired the shares of Diamond "S" Ranch for a total purchase price of $14.8 million before earn out obligations. The assets of Diamond "S" Ranch consist of 14,052 acres of grazing land in British Columbia, which are contiguous to other land already owned by Blue Goose, as well as feed, buildings and machinery and equipment.

Blue Goose has also expanded its organic rainbow trout capacity, with the $1.1 million acquisition of North Wind Fisheries on Manitoulin Island, Ontario. The operations of North Wind Fisheries are currently being integrated with those of Meeker Aquaculture, which was acquired in 2012.

As part of its model of vertical integration in the protein business, Blue Goose acquired Fischer Feeds Limited, a well-established poultry feed producer based in Ontario. Concurrently, during the second quarter of 2013, Blue Goose also entered into a partnership to produce organic poultry with an established Canadian poultry processor.

On May 8, 2013, Blue Goose acquired the issued and outstanding shares of Limberlost Stone Inc. ("Limberlost") for a total purchase price of $6.8 million. Limberlost operates a 400-acre limestone quarry on the Bruce Peninsula near Wiarton, Ontario, an area renowned for its natural limestone. Limberlost currently quarries and processes natural limestone for the building and landscaping markets in Canada and the USA. Blue Goose views its investment in Limberlost as a long-term strategic acquisition that will support the modified use of the quarries, once depleted of their commercial assets, as a natural fish farm. In the interim, the sale of limestone provides operating cash flow to support other business activities.

RESULTS OF OPERATIONS

Reflective of its current stage of rapid development, during the six months ended June 30, 2013, Blue Goose incurred a loss attributable to the owners of Dundee Corporation of $5.3 million compared to $0.4 million in the same period of the prior year. The current period operating loss was partially mitigated by the recognition of a $3.9 million gain in the estimated fair value of livestock, primarily attributable to growth of the cattle herd. This compares to an estimated fair value gain of $1.1 million recognized in the same period of the prior year.

For the six months ended June 30,		2013		2012
Revenues				
Sales of livestock	$	13,481	$	3,132
Interest and dividends		-		1,233
		13,481		4,365
Cost of sales		(18,879)		(2,764)
Other items in net earnings before taxes				
Depreciation and depletion		(1,177)		(279)
General and administrative		(3,420)		(2,865)
Fair value changes in livestock		3,941		1,118
Interest expense		(206)		(48)
Foreign exchange gain		8		-
Net earnings before taxes, Blue Goose Capital Corp.	**$**	**(6,252)**	**$**	**(473)**
Net earnings before taxes, Blue Goose Capital Corp. attributable to:				
Owners of Dundee Corporation	$	(5,254)	$	(374)
Non-controlling interest		(998)		(99)
Net earnings before taxes, Blue Goose Capital Corp.	**$**	**(6,252)**	**$**	**(473)**

As a result of recent acquisitions, Blue Goose had, for the first time, sales of chicken and fish proteins along with expanded sales of beef during the six months ended June 30, 2013. During this period, Blue Goose generated a negative contribution margin of $5.4 million on revenues of $13.5 million. This compares with a positive contribution margin of $0.4 million on revenues of $3.1 million during the same period of the prior year. Negative contribution margins during the first six months of 2013 reflect the costs of starting up a new abattoir in British Columbia, as well as the cost of ramping up chicken and fish sales volumes to retailers in Ontario and Quebec. This was partially offset by a positive contribution margin derived from Blue Goose's recently acquired and previously established feed business. Included in other revenues during the six months ended June 30, 2013 were aggregate sales and cost of goods sold of $0.9 million and $0.5 million, respectively, relating to Limberlost operations.

Notably, as Blue Goose continues to develop new sales channels, its revenues are expected to further increase; however, on a short-term basis, contribution margins will likely fluctuate period-over-period as Blue Goose completes the integration of the various businesses and assets acquired since it initiated its vertically integrated business model late in 2011.

For the six months ended June 30,	2013				2012			
Components of Agriculture Products*	Revenue	Costs	Margin	% Margin	Revenue	Costs	Margin	% Margin
Beef	$ 5,562	$ 10,836	$ (5,274)	(94.8%)	$ 3,132	$ 2,764	$ 368	11.7%
Chicken	995	1,145	(150)	(15.1%)	-	-	-	n/a
Fish	872	1,533	(661)	(75.8%)	-	-	-	n/a
Feed	5,136	4,757	379	7.4%	-	-	-	n/a
Other	916	608	308	33.6%	-	-	-	n/a
	$ 13,481	$ 18,879	$ (5,398)	(40.0%)	$ 3,132	$ 2,764	$ 368	11.7%

** Excludes general and administrative expenses, interest expense and depreciation*

Blue Goose has significantly expanded its beef sales within British Columbia, and plans to expand beef product sales into Ontario and other provinces in Canada during the remainder of 2013. Similarly, Blue Goose intends to expand its sales of organic rainbow trout and chicken, currently sold primarily in Ontario, through expanded sales capabilities and by cross-selling to its existing client base within existing channels.

	For the six months ended June 30,	
Unit sales	2013	2012
Beef (head)	1,655	701
Chicken (kgs)	138,498	-
Fish (lbs)	280,851	-

CHANGES IN FINANCIAL CONDITION

Changes in Land Inventory

As part of its business plan, Blue Goose is continuing to acquire high quality, productive land acreage that is fully irrigated, and which provides quality hay fields for winter cattle grazing. Blue Goose has expanded its landholdings to over 1.1 million acres, including both freehold (deeded) acres and leasehold acreage in British Columbia, Ontario, and Colorado.

	Number of Acres Deeded or Leased as at	
(in thousands)	June 30, 2013	December 31, 2012
British Columbia	1,107	1,093
Ontario	11	4
USA	18	-
	1,136	1,097

Blue Goose plans to continue acquiring farmland property in British Columbia, Ontario and potentially in other jurisdictions in order to expand its organic beef production capacity, which will in turn allow it to increase processing and distribution of product.

It also constructed a provincially regulated abattoir on one of its owned properties in British Columbia. As at June 30, 2013, the abattoir was in the process of being federally certified, which will allow Blue Goose to sell its British Columbia produced beef across Canada. In anticipation of completion of the abattoir, Blue Goose has also acquired a transportation company in British Columbia.

Changes in the Carrying Value of Livestock

With the expansion of its land portfolio, Blue Goose has facilitated the increase of its organic cattle herd to over 12,600 head as at June 30, 2013, including its Wagyu herd totalling 286 head.

		Cattle herd as at
(number of animals)	June 30, 2013	December 31, 2012
Breeding cattle and bulls	5,209	3,091
Immature livestock and feeder cattle	7,395	5,378
	12,604	8,469

Changes in the carrying value of livestock, including cattle, is illustrated in the table below.

	Cattle	Fish	Inventory and Supplies	TOTAL
Opening balance	$ 13,111	$ 598	$ 3,942	$ 17,651
Changes during the six months ended June 30, 2013				
Acquisitions	1,184	837	2,235	4,256
Net additions	2,828	213	1,886	4,927
Herd growth	2,825	891	-	3,716
Price changes	-	225	-	225
Net of product processed	(3,796)	(715)	(3,476)	(7,987)
	$ 16,152	$ 2,049	$ 4,587	$ 22,788

Corporate Debt

Blue Goose has entered into a $14.8 million advance loan facility, maturing on July 1, 2017, and a real estate loan for $10.0 million maturing on May 1, 2018, with a Canadian financial institution and leading lender to the agriculture industry. Amounts borrowed pursuant to the advance loan facility are subject to variable interest rates with a weighted average rate of 4.10% during the six months ended June 30, 2013. The advance loan facility is secured by a first charge mortgage against various real estate assets held by Blue Goose and by certain wholly-owned subsidiaries of Blue Goose, some of which have also provided guarantees in respect of amounts borrowed pursuant to the facility. At June 30, 2013, Blue Goose had drawn $14.7 million against this facility.

The real property loan is secured by ranch property in western Canada and is subject to a fixed interest rate of 3.05% per annum, and was fully drawn at June 30, 2013.

Certain wholly-owned subsidiaries of Blue Goose have entered into demand revolving credit facilities in the aggregate amount of $17.2 million with certain Canadian chartered banks. Borrowings under these arrangements bear interest at a rate per annum ranging from the bank's prime lending rate for loans plus 0.50% to 1.30%. The facilities are secured by a general security agreement against all of the assets of the subsidiaries and are guaranteed by Blue Goose. At June 30, 2013, an aggregate of $15.2 million had been drawn against these facilities.

Other Agriculture and Aquaculture Investments

In the first half of 2013, the Corporation maintained its common equity interest in AgriMarine Holdings Inc. ("AgriMarine") at 17%, but acquired all of the company's secured debt from a third party, and lent to the company new secured debt. This aquaculture company has been strategically refocused on farming fish in a manner that is environmentally sustainable and economically attractive, in both Canada and the People's Republic of China.

Founded in 2007, AgriMarine is a TSX-Venture listed company and owner of intellectual property, patents, and licenses that permit it to raise salmon, trout, and other fin fish species in solid-wall closed-containment fish tanks. AgriMarine contends that this innovative fish farming system is superior to open net-pen cage and land-based containment systems used by competitors.

GOODMAN & COMPANY, INVESTMENT COUNSEL INC.

Asset management activities are carried out by the Corporation's 100% owned subsidiary, Goodman & Company, Investment Counsel Inc. ("GCIC"), a registered portfolio manager and exempt market dealer across Canada and an investment fund manager in the provinces of Ontario, Quebec and Newfoundland. At June 30, 2013, GCIC managed AUM of $0.5 billion (December 31, 2012 – $1.0 billion).

On January 1, 2013, the management contracts 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) were assigned to GCIC from the Corporation's brokerage subsidiary, permitting GCIC to carry out both investment management and investment advisory activities on behalf of the Corporation. As a result, revenues earned by GCIC during the six months ended June 30, 2013 increased to $2.4 million, compared with $1.9 million earned in the first half of the prior year.

During the six months ended June 30, 2013, GCIC incurred a loss of $1.4 million (six months ended June 30, 2012 – $1.5 million). The increase in revenues of $0.5 million was partially offset by an increase in additional overhead incurred by GCIC in scaling up its advisory business following the transfer of the management contracts as outlined above.

DUNDEE SECURITIES LTD.

Dundee Securities Ltd. *(www.dundeecapitalmarkets.com)* is a full-service securities broker and member of the Investment Industry Regulatory Organization of Canada and operates directly and through its sister companies, Dundee Securities Europe LLP, authorized by the Financial Services Authority in the United Kingdom for the purposes of security brokering and asset management, Dundee Securities Inc., a member of the Financial Industry Regulatory Authorities and registered as a broker dealer with the U.S. Securities Exchange Commission, and DCM Insurance Agency Ltd., licensed by the Financial Services Commission of Ontario to carry on business as a life insurance agency (collectively "Dundee Securities").

RESULTS OF OPERATIONS

For the six months ended June 30,		2013		2012
Revenues				
Management fees	$	3,273	$	6,453
Financial services				
Investment banking		15,413		27,790
Commissions		19,151		20,024
Principal trading		(7,046)		2,711
Foreign exchange trading		385		327
Interest and dividends		5,938		3,954
		37,114		61,259
Cost of sales				
Variable compensation		(14,998)		(29,575)
Other items in net earnings				
Depreciation		(1,396)		(812)
General and administrative		(30,156)		(32,726)
Interest expense		(382)		(177)
Foreign exchange loss		(500)		(97)
Net earnings attributable to Dundee Securities Ltd.	**$**	**(10,318)**	**$**	**(2,128)**
Net earnings before taxes, Dundee Securities Ltd. attributable to:				
Owners of Dundee Corporation	$	(10,318)	$	(2,128)
Non-controlling interest		-		-
Net earnings before taxes, Dundee Securities Ltd.	**$**	**(10,318)**	**$**	**(2,128)**

Assets Under Management and Assets Under Administration

As previously indicated, on January 1, 2013, certain management contracts were transferred by Dundee Securities to the Corporation's asset management subsidiary, GCIC. As a result, during the first half of 2013, management fee revenues earned were $3.3 million, a substantial decrease from the $6.5 million earned in the same period of the prior year.

(in millions of dollars)

As at		June 30, 2013		December 31, 2012		June 30, 2012
AUA	$	2,877	$	3,119	$	2,927
AUM		797		1,040		1,020

(in millions of dollars)

Balance of AUM, December 31, 2012	$	1,040
AUM transfered to GCIC on January 1, 2013		(181)
AUM decrease during the period		(62)
Balance of AUM, June 30, 2013	$	797

Financial Services Revenue

Investment banking revenue, including revenue from new issues and advisory services fees, was $15.4 million in the first six months of 2013, a 45% decrease from the $27.8 million earned in the same period of the prior year. During the six months ended June 30, 2013, Dundee Securities participated in 60 (six months ended June 30, 2012 – 89) public and private new issue transactions, with the mining and oil and gas sectors representing 38% of new issue activity. These new issue financings generated revenue of $10.2 million in the first half of 2013, a significant decrease compared with the $23.3 million of revenue earned in the same period of the prior year. Partially offsetting the decrease in new issue revenue were advisory fees of $5.2 million realized in the six months ended June 30, 2013, compared with $4.5 million in the same period of the prior year. Advisory mandates are generally long term in nature, and fees are earned only on the successful completion of a transaction.

Commission revenue was $19.2 million during the six months ended June 30, 2013, compared to $20.0 million earned in the same period of the prior year. Commission revenue was adversely affected by challenging financial markets and business conditions that persisted globally during 2012 and continued during the first half of 2013.

Principal trading activities generated losses of $7.0 million during the six months ended June 30, 2013, compared with gains of $2.7 million in the same period of the prior year, reflecting market depreciation of proprietary investment banking positions, increased facilitation trading losses and decreased revenues from Dundee Securities' portfolio of trading securities.

Variable Compensation Expense

During the six months ended June 30, 2013, variable compensation expense paid to capital markets professionals was $15.0 million (six months ended June 30, 2012 – $29.6 million), representing approximately 48% (six months ended June 30, 2012 – 55%) of related financial services revenue, resulting in contribution margins of 52% (six months ended June 30, 2012 – 45%). The change in contribution margins reflects the change in variable compensation rates that are paid with reduced revenue generation.

FINANCIAL CONDITION

Balances Directly Related to Dundee Securities

As at	June 30, 2013	December 31, 2012
Client accounts receivable	$ 727,862	$ 332,627
Client deposits and related liabilities	(768,643)	(360,209)
Securities owned	112,020	73,799
Securities sold short	(27,911)	(17,289)

Client account balances represent funds owing from or belonging to clients, and amounts due to or from brokers and dealers that are pending settlement. While these amounts may vary significantly on a day-to-day basis, they do not necessarily reflect any meaningful change in Dundee Securities' financial position. The increase in client receivables and client liabilities over the prior year end reflects an increase in trading and foreign exchange activities.

Securities owned and securities sold short represent trading positions of Dundee Securities. Trading positions may also vary significantly on a day-to-day basis depending upon trading strategies in response to market conditions and in anticipation of price movements. These variances do not necessarily reflect any meaningful changes to Dundee Securities' financial position. Trading positions are recorded at their market value based on quoted prices where available, with changes in market values included in principal trading revenue.

Call Loan Facilities

From time to time, Dundee Securities may utilize call loan arrangements to facilitate the securities settlement process for both client and principal securities transactions, or to fund margin lending. In connection with the establishment of an introducing and carrying broker arrangement with a third-party service provided on January 1, 2012, Dundee Securities arranged for an uncommitted call loan facility for up to $125 million (December 31, 2012 - $75 million). There was no amount drawn pursuant to this facility on June 30, 2013.

OTHER CONSOLIDATED BALANCES AND CAPITAL STRUCTURE

General and Administrative Expenses

Generally, head office costs, including costs associated with corporate governance and related public company costs, are accumulated and reported as head office costs and are not allocated to other operating segments. These costs were $12.5 million in the six months ended June 30, 2013, compared with $16.9 million in the same period of the prior year. As part of the Arrangement with Dundee Realty, the Corporation adjusted the settlement terms of its stock based compensation arrangements to provide holders thereof with an equivalent distribution entitlement provided to other shareholders as part of the Arrangement.

The adjustment to stock based compensation arrangements were initially recognized as liabilities of approximately $32.2 million in the Corporation's consolidated statement of financial position, including liabilities of $24.3 million recognized as part of the Arrangement. Subsequent to completion of the Arrangement, the value of these obligations was reduced to $28.8 million, reflecting the market value of the DREAM Class A subordinate voting shares on June 30, 2013, with a corresponding decrease of $3.4 million to general and administrative expenses.

Corporate Interest Expense

Corporate interest expense was $8.9 million in the six months ended June 30, 2013, before intersegment eliminations, a $2.6 million decrease from the $11.5 million of interest expense incurred in the same period of the prior year, reflecting a decrease in average borrowings over the respective periods.

Income Taxes

The Corporation's effective income tax recovery rate was 29.2% for the six months ended June 30, 2013. This effective income tax recovery rate is higher than the statutory combined federal and provincial tax rate of 26.5% and can be attributed primarily to the refund of Part IV taxes paid in prior years triggered as a result of the Arrangement as detailed in note 4 to the June 2013 Interim Consolidated Financial Statements. Non-tax deductible items including preference share dividends paid, which were classified as interest expense for accounting purposes, also impacted the effective income tax rate, but were offset by certain non-taxable revenue. During the six months ended June 30, 2012, the Corporation's effective income tax rate was 89.4%. This effective income tax rate was significantly higher than the statutory combined federal and provincial tax rate of 26.5% and can be attributed primarily to a remeasurement of the Corporation's net deferred income tax liabilities arising from the deferral, announced in the 2012 Ontario Budget, of Ontario tax rate reductions, as well as on net Part IV tax on dividend income.

Net Deferred Income Tax Liabilities

The Corporation's net deferred income tax liabilities at June 30, 2013 were $78.1 million, and represent deferred income tax liabilities of $109.7 million, offset by deferred income tax assets of $31.6 million. This compares to net deferred income tax liabilities of $153.2 million at December 31, 2012. Deferred income tax liabilities decreased as a result of declines in the market value of the Corporation's investments and from the effect of the Arrangement. Components of the Corporation's net deferred income tax liabilities are detailed in note 25 to the June 2013 Interim Consolidated Financial Statements.

The Corporation's aggregate income tax loss carry forwards at June 30, 2013 were $58.3 million (December 31, 2012 – $52.2 million). Included in the Corporation's deferred income tax balances is a tax benefit of $8.1 million (December 31, 2012 – $10.0 million) in respect of these tax losses.

Corporate Debt

			Revolving Term Credit Facilities				Discontinued	
	$6.5 million Exchangeable Debentures	$92.8 million Corporate	$225 million Corporate	$70 million Dundee Energy	$24.8 million Blue Goose	Other Blue Goose Debt	Real Estate Debt	TOTAL
Balance, January 1, 2012	$ 9,883	$ 42,800	$ 224,265	$ 59,191	$ -	$ -	$ 210,458	$ 546,597
Fixed term credit facility	-	(42,800)	-	-	75	-	-	(42,725)
Revolving term credit facilities	-	-	(196,872)	3,442	-	992	(43,000)	(235,438)
Changes in real estate debt	-	-	-	-	-	-	66,115	66,115
Debentures submitted for exchange	(2,433)	-	-	-	-	-	-	(2,433)
Unrealized revaluation adjustment	842	-	-	-	-	-	-	842
Other	104	-	-	-	-	-	-	104
Balance, December 31, 2012	8,396	-	27,393	62,633	75	992	233,573	333,062
Fixed term credit facility	-	-	-	-	9,950	-	-	9,950
Revolving term credit facilities	-	-	132,778	(8,004)	14,672	14,188	-	153,634
Changes in real estate debt	-	-	-	-	-	-	(13,775)	(13,775)
Disposition of real estate debt	-	-	-	-	-	-	(219,798)	(219,798)
Debentures submitted for exchange	(259)	-	-	-	-	-	-	(259)
Unrealized revaluation adjustment	(1,126)	-	-	-	-	-	-	(1,126)
Other	24	-	-	-	-	-	-	24
Balance, June 30, 2013	$ 7,035	$ -	$ 160,171	$ 54,629	$ 24,697	$ 15,180	$ -	$ 261,712

Corporate Revolving Term Credit Facilities ─ The Corporation has established a $225 million credit facility with a Canadian Schedule I Chartered Bank which matures on March 10, 2014. At June 30, 2013, the Corporation had borrowed $160.2 million pursuant to this facility. The Corporation has pledged certain of its holdings in common and preferred shares of Scotiabank as security against this credit facility.

5.85% Exchangeable Unsecured Subordinated Debentures ─ The terms of the Corporation's exchangeable debentures provide for the exchange, at the option of the holder, of one $1,000 exchangeable debenture for 33.6134 units of Dundee REIT, subject to certain conditions. The Corporation has placed sufficient units of Dundee REIT into an escrow arrangement established for the purpose of satisfying any potential obligation pursuant to the terms of the exchangeable debentures. During the six months ended June 30, 2013, debenture holders tendered $0.3 million of exchangeable debentures and received 8,703 units of Dundee REIT on the exchange. The Corporation's exchangeable debentures mature on June 30, 2015.

Debt of Subsidiaries
A more detailed discussion of corporate debt in each of the Corporation's business segments is presented under "*Segmented Results of Operations – Changes in Financial Condition*".

Share Capital
As at June 30, 2013, there were 50,978,713 Subordinate Shares and 3,116,326 Class B common shares outstanding. On March 28, 2013, the Corporation announced that it had received regulatory approval for the renewal of its normal course issuer bid from April 1, 2013 to March 31, 2014. The normal course issuer bid allows the Corporation to purchase up to a maximum of 2,704,138 Subordinate Shares for subsequent cancellation, representing approximately 10% of the public float at the time approval for the normal course issuer bid was granted. At August 12, 2013, there were 50,979,564 Subordinate Shares and 3,116,000 Class B common shares outstanding.

As at June 30, 2013, the Corporation had granted 1,255,000 options with a weighted average exercise price of $9.40, of which 729,000 were exercisable, as holders had met the vesting criteria.

At June 30, 2013, the Corporation had 6.0 million 5.00% cumulative redeemable first preference shares, series 4 ("Preference Shares, series 4") issued pursuant to the Arrangement with Dundee Realty, and 5.2 million 6.75% cumulative redeemable first preference shares, series 2 ("Preference Shares, series 2") issued and outstanding. A full description of the terms of the Preference Shares, series 2 is provided in note 19 to the 2012 Audited Consolidated Financial Statements and a description of the terms of the Preference Shares, series 4 is provided in note 17 to the June 2013 Interim Consolidated Financial Statements.

CONSOLIDATED LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2013, the Corporation had cash of $59.6 million compared with cash of $41.8 million at December 31, 2012. In addition, available credit under credit facilities available to the Corporation and its subsidiaries was $81.8 million.

	Holding Company	Regulated Subsidiaries	Other Subsidiaries	TOTAL
Cash	$ 9,349	$ 39,456	$ 10,787	$ 59,592
Availability under credit facilities, excluding call loan facilities	64,829	-	16,973	81,802
	$ 74,178	$ 39,456	$ 27,760	$ 141,394

Included in the Corporation's consolidated cash balance is cash used in the operating business of the Corporation's brokerage subsidiaries. These subsidiaries function in regulated environments and are therefore required to maintain levels of capital in liquid assets in accordance with regulatory requirements. The amount of capital that exists within these regulated entities may dictate the level of business operations, including margin lending, securities trading and corporate finance commitments. Furthermore, the ability to transfer cash resources, which, at June 30, 2013, were $39.5 million, out of these regulated subsidiaries may be limited by their requirement to comply with regulatory capital requirements.

As a registered portfolio manager and exempt market dealer across Canada and an investment fund manager in certain provinces, GCIC is also required to maintain minimum capital as prescribed by regulation. At June 30, 2013 and December 31, 2012, all of the Corporation's regulated subsidiaries exceeded their minimum regulatory capital requirements.

Significant Sources and Uses of Cash

The Corporation incurred net cash inflow from continuing operations of $26.3 million during the six months ended June 30, 2013 (six months ended June 30, 2012 – cash outflows of $83.7 million). Significant cash flow items are as follows:

Significant Cash Flows – Operating Activities

For the six months ended June 30,		2013		2012
Operating activities:				
Adjusted net earnings	$	13,417	$	12,187
Changes in balances relating to investment dealer activities		(13,880)		(79,712)
Changes in agricultural working capital		2,873		(330)
Changes in other working capital amounts		14,751		49,543
Changes in income taxes		(61,915)		(1,172)
Cash used in operating activities	$	(44,754)	$	(19,484)

- The effect of changes in balances related to investment dealer activities, including client account balances and brokerage securities owned and sold short, will vary significantly on a day-to-day basis. Cash flow balances relating to investment dealer activities also include amounts borrowed or repaid pursuant to call loan facilities. During the six months ended June 30, 2013, these balances resulted in net cash outflow of $13.9 million (six months ended June 30, 2012 – $79.7 million net cash outflow). Changes in cash resulting from these types of transactions may not necessarily reflect any meaningful change in the Corporation's financial position, or that of its subsidiaries.
- Changes in other working capital amounts and changes in cash relating to the Corporation's income tax positions reflect changes in the underlying level of business activities.
- Included in cash from operating activities is $7.0 million (six months ended June 30, 2012 - $14.0 million) of dividends received by the Corporation from Dundee Realty, prior to completion of the Arrangement.

Significant Cash Flows – Investing Activities

For the six months ended June 30,		2013		2012
Investing activities:				
Net (acquisitions) dispositions of direct investments	$	(31,271)	$	93,665
Net investment in resource properties		(5,835)		(7,874)
Acquisition of cash in a business combination		9,350		-
Net investment in livestock and other agricultural assets		(60,595)		(20,966)
Other investment activities		(7,572)		(3,702)
Cash (used in) provided from investing activities	$	(95,923)	$	61,123

- Cash required or derived from trading in the Corporation's investment portfolio, including equity accounted investments, will vary from period to period and is dependent on trading activity and strategies that may evolve in response to global market conditions or otherwise. During the six months ended June 30, 2013, the Corporation invested net cash of $31.3 million in its investment portfolio (six months ended June 30, 2012 – $93.7 million generated).
- During the six months ended June 30, 2013, the Corporation invested $5.8 million into its resource properties, compared with $7.9 million in the same period of the prior year.
- During the six months ended June 30, 2013, the Corporation acquired cash of $9.4 million associated with the consolidation of United Hydrocarbon.
- Net investment in livestock and agricultural assets during the six months ended June 30, 2013 was $60.6 million, compared with $21.0 million in the same period of the prior year, reflecting the significant business and asset acquisitions completed by this segment.

Significant Cash Flows – Financing Activities

For the six months ended June 30,		2013		2012
Financing activities:				
Changes in corporate debt	$	163,025	$	(33,515)
Acquisitions of non-controlling interest		-		(88,633)
Net issuance of Class A subordinate shares		318		641
Dividends paid on Preference Shares, series 2		(4,388)		(4,388)
Net issuance of shares by subsidiaries to non-controlling interest		7,977		584
Cash provided from (used in) financing activities	$	166,932	$	(125,311)

- Net amounts drawn on the corporate debt facilities during the six months ended June 30, 2013 were $163.0 million (six months ended June 30, 2012 – $33.5 million repaid).
- Cash raised pursuant to the issuance of shares by subsidiaries includes $2.7 million raised from non-controlling interests pursuant to the rights offering by Dundee Energy in April 2013 and $5.5 million raised by Blue Goose pursuant to private placements, before associated costs of issue.
- During the six months ended June 30, 2013, the Corporation paid dividends of $4.4 million (six months ended June 30, 2012 – $4.4 million) on outstanding Preference Shares, series 2. The Corporation has not paid a dividend on its Subordinate Shares or on its common shares.
- On February 1, 2012, the Corporation successfully completed the acquisition of all of the outstanding common shares of Dundee Capital Markets Inc., the parent of Dundee Securities, that it did not already own for cash of $1.125 per share, by way of an approved plan of arrangement under the *Ontario Business Corporations Act*. Total cash paid for the transaction was $88.6 million.

Cash Requirements

The Corporation's capital management and funding objectives include ensuring that the Corporation is compliant with all of its ongoing obligations, including compliance with all applicable debt covenants, and ensuring that the Corporation is able to meet its financial obligations as they become due. In determining its capital allocation, the Corporation considers relevant regulatory capital requirements in order to effectively manage its capital markets business, and resources required for the development of resource and agricultural opportunities. The Corporation's capital management objectives also include ensuring that it has sufficient capital available to benefit from acquisitions and other opportunities, should they arise, and ensuring adequate returns for shareholders. The Corporation regularly assesses the allocation of its capital resources in response to changing economic conditions.

The Corporation's intention is to meet short-term liquidity requirements through funds from operations, working capital reserves and operating debt facilities. In addition, the Corporation anticipates that its operations will continue to provide the cash necessary to fund expenses and debt service requirements. Capital may also be generated through dispositions of investments as the Corporation repositions its investment portfolio in a manner consistent with its stated strategy to maintain a conservative level of debt, while ensuring that sufficient capital is available to execute the Corporation's business plan at all times.

On an ongoing basis, the Corporation will require cash to support regulated subsidiaries, to develop its energy, resource, agricultural and real estate properties, to meet its obligations under its other contractual commitments, and to finance dividend and interest payments on preference shares and debt obligations. The Corporation may also require cash to finance new business initiatives or to invest in other opportunities, including growth opportunities related to its portfolio of investments. On a consolidated basis, the Corporation believes that operating cash flow, combined with available lines of credit and its portfolio of investments, provide sufficient cash resources for the Corporation to conduct its operations for the foreseeable future.

RESULTS OF OPERATIONS

Three months ended June 30, 2013 compared with the three months ended June 30, 3012

Consolidated Net Earnings

During the second quarter of 2013, the Corporation realized earnings attributable to owners of Dundee Corporation of $541.6 million or $9.97 per share. This compares to a net loss of $111.8 million or a loss of $2.07 per share in the same period of the prior year. Consistent with year-to-date earnings, net earnings in the second quarter include an after-tax gain of $599.4 million following completion of the Arrangement and distribution of assets as outlined previously.

	Continuing Operations		Discontinued Operations		TOTAL	
For the three months ended June 30,	2013	2012	2013	2012	2013	2012
Net earnings before income taxes from:						
Dundee Realty Corporation	$ -	$ -	$ 21,324	$ 41,148	$ 21,324	$ 41,148
Corporate and other portfolio holdings	(92,796)	(149,695)	-	-	(92,796)	(149,695)
Dundee Energy Limited	(218)	(441)	-	-	(218)	(441)
Eurogas International Inc.	(234)	(184)	-	-	(234)	(184)
Nichromet Extraction Inc.	(786)	(780)	-	-	(786)	(780)
Blue Goose Capital Corp.	(3,868)	243	-	-	(3,868)	243
Goodman & Company, Investment Counsel Inc.	(440)	(1,067)	-	-	(440)	(1,067)
Dundee Securities Ltd.	(6,115)	(5,893)	-	-	(6,115)	(5,893)
Gain on distribution of assets	-	-	625,651	-	625,651	-
	(104,457)	(157,817)	646,975	41,148	542,518	(116,669)
Income taxes recovery (expense)	32,055	23,776	(32,328)	(10,546)	(273)	13,230
Net earnings for the period	**$ (72,402)**	**$ (134,041)**	**$ 614,647**	**$ 30,602**	**$ 542,245**	**$ (103,439)**
Net earnings attributable to:						
Owners of the parent	$ (69,285)	$ (133,625)	$ 610,897	$ 21,867	$ 541,612	$ (111,758)
Non-controlling interest	(3,117)	(416)	3,750	8,735	633	8,319
	$ (72,402)	**$ (134,041)**	**$ 614,647**	**$ 30,602**	**$ 542,245**	**$ (103,439)**

The Corporation incurred a net loss from continuing operations attributable to owners of Dundee Corporation of $69.3 million during the second quarter of 2013, representing a loss of $1.32 per share. During the second quarter of the prior year, the Corporation incurred a net loss of $133.6 million or $2.47 per share from continuing operations. The decrease in the net loss on a quarter-over-quarter basis results from changes in the market value of the Corporation's portfolio of investments which declined by $107.7 million in the second quarter of the current year, compared with a decline of $139.0 million in the second quarter of 2012.

Segmented Results of Operations

CORPORATE AND OTHER PORTFOLIO INVESTMENTS

Equity Earnings

Changes in the carrying value of the Corporation's equity accounted investments during the second quarter of 2013 are illustrated in the table below.

		Three months ended June 30, 2013	
		Continuing Operations	Discontinued Operations
Carrying value of equity accounted investments, beginning of period	$	482,050	$ -
Equity carrying value of discontinued ownership in:			
Dundee Real Estate Investment Trust		(40,503)	40,503
Dundee International Real Estate Investment Trust		(23,387)	23,387
Transactions during the three months ended June 30, 2013			
Cash invested in equity accounted investments		14,066	-
Transfer of carrying value from investment portfolio		17,698	-
Share of earnings from equity accounted investments		18,757	870
Share of other comprehensive income from equity accounted investments		6,775	771
Distributions received, net of reinvestments		(4,737)	(379)
Acquisition of DREAM pursuant to Arrangement with Dundee Realty		268,073	-
Other		(66)	-
Assets distributed pursuant to Arrangement with Dundee Realty			
Dundee Real Estate Investment Trust		-	(40,948)
Dundee International Real Estate Investment Trust		-	(24,204)
Carrying value of equity accounted investments, end of period	**$**	**738,726**	**$ -**

During the second quarter of 2013, the Corporation realized earnings of $18.7 million from its equity accounted investments, including dilution gains of $1.3 million resulting from dilutions of its interest in Dundee International REIT.

For the three months ended		June 30, 2013		June 30, 2012
DREAM Unlimited Corp.	$	6,373	$	-
Dundee Precious Metals Inc.		4,132		3,590
Dundee Real Estate Investment Trust		5,732		1,803
Dundee International Real Estate Investment Trust		2,553		4,085
360 VOX Corporation		(13)		(21)
Corona Gold Corporation		(1)		166
Ryan Gold Corp.		-		(358)
Odyssey Resources Limited		(19)		(63)
Escal UGS S.L.		-		-
	$	**18,757**	**$**	**9,202**

Included in net earnings from equity accounted investments during the second quarter of 2013 is $6.4 million relating to the Corporation's investment in DREAM. As the Corporation began to account for DREAM on an equity basis following completion of the Arrangement with Dundee Realty, the Corporation's equity earnings represent its share of earnings of DREAM since May 30, 2013.

Other Investments

		Three months ended June 30, 2013
Market value of investments, beginning of period	$	1,275,786
Transactions during the period		
New investments		82,989
Proceeds from sales of investments		(266,724)
Changes in market values		(111,336)
Consolidation of United Hydrocarbon International Corp.		(73,831)
Transfer of investment in warrants of Dundee Precious Metals Inc. to equity accounted investments		(17,698)
Other transactions		3,804
Market value of investments, end of period	**$**	**892,990**

The Corporation received proceeds of $266.7 million during the second quarter of 2013 and realized a loss from direct sales of investments of $4.7 million. The Corporation reinvested a total of $83.0 million in its portfolio during the second quarter of the current year, including approximately $39.1 million in the resource sector and $21.0 million in energy-based securities.

	For the three months ended June 30, 2013		For the three months ended June 30, 2012	
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (4,434)	$ (86,917)	$ (13,929)	$ (105,724)
Private investments	185	(17,302)	7	(19,807)
Mutual funds and other short term investments	814	(906)	-	(794)
Debt securities	(1,226)	(1,655)	-	(4,867)
Warrants and options	-	(914)	(3)	(7,766)
	$ (4,661)	**$ (107,694)**	**$ (13,925)**	**$ (138,958)**

During the second quarter of 2013, the value of the Corporation's investment portfolio depreciated by $107.7 million (second quarter of 2012 – depreciation of $139.0 million).

DUNDEE ENERGY LIMITED

During the second quarter of 2013, Dundee Energy's operations attributable to owners of Dundee Corporation essentially broke even, after attributing losses to non-controlling interests. This compares with a loss of $0.3 million attributable to owners of Dundee Corporation in the same quarter of the prior year.

For the three months ended June 30,	2013	2012
Revenues		
Oil and gas sales	$ 8,245	$ 7,543
Interest and dividends	42	22
	8,287	7,565
Cost of sales	(3,547)	(3,135)
Other items in net earnings before taxes		
Depreciation and depletion	(2,972)	(3,672)
General and administrative	(1,314)	(1,594)
Gain on derivative financial instruments	214	1,507
Interest expense	(1,019)	(1,080)
Foreign exchange gain (loss)	133	(32)
Net earnings before taxes, Dundee Energy Limited	**$ (218)**	**$ (441)**
Net earnings before taxes, Dundee Energy Limited attributable to:		
Owners of Dundee Corporation	$ (20)	$ (277)
Non-controlling interest	(198)	(164)
Net earnings before taxes, Dundee Energy Limited	**$ (218)**	**$ (441)**

Field Level Cash Flows and Field Netbacks

For the three months ended June 30,			2013			2012
	Natural Gas	Oil and Liquids	Total	Natural Gas	Oil and Liquids	Total
Total sales	$ 3,808	$ 5,914	$ 9,722	$ 2,508	$ 6,385	$ 8,893
Royalties	(575)	(902)	(1,477)	(372)	(978)	(1,350)
Production expenditures	(1,922)	(1,625)	(3,547)	(1,636)	(1,499)	(3,135)
	1,311	3,387	4,698	500	3,908	4,408
Realized risk management (loss) gain	(381)	137	(244)	1,029	(2)	1,027
Field level cash flows	$ 930	$ 3,524	$ 4,454	$ 1,529	$ 3,906	$ 5,435

Field level cash flows in the second quarter of 2013, before realized risk management contract gains or losses, were $4.7 million, a 7% increase over field level cash flows of $4.4 million generated in the second quarter of the prior year. Higher realized prices from sales of both oil and natural gas, partially offset by increased production costs per unit as a result of lower production volumes, increased field netbacks in the second quarter of 2013 to $23.98/boe compared with $19.46/boe earned in the second quarter of the prior year.

Realized losses resulting from Dundee Energy's risk management contracts reduced field netbacks in the second quarter of 2013 by $1.25/boe. In the comparable period of 2012, these contracts added $1.0 million to field level cash flows and $4.54/boe to field netbacks.

OTHER SUBSIDIARIES IN THE RESOURCE SECTOR

During the second quarter of 2013, EII incurred losses of $0.2 million (second quarter of 2012 – $0.2 million), primarily attributable to ongoing general and administrative costs associated with the Sfax Permit.

Nichromet incurred losses of $0.8 million in the second quarter of 2013 (second quarter of 2012 – $0.8 million). The Corporation anticipates that administrative costs in Nichromet will increase in the short term as it works towards the development of its demonstration pilot plant.

BLUE GOOSE CAPITAL CORP.

During the second quarter of 2013, Blue Goose incurred a loss attributable to the owners of the parent of $3.3 million, compared to net earnings attributable to owners of the parent of $0.2 million in the same quarter of the prior year. The current period operating loss was partially offset by the recognition of a $2.2 million gain in the estimated fair value of livestock, primarily attributable to growth of the cattle herd. This compares to an estimated fair value gain of $0.1 million recognized in the second quarter of the prior year.

For the three months ended June 30,		2013		2012
Revenues				
Sales of livestock	$	10,979	$	1,931
Interest and dividends		-		1,233
		10,979		3,164
Cost of sales		(14,061)		(1,114)
Other items in net earnings before taxes				
Depreciation and depletion		(595)		(212)
General and administrative		(2,256)		(1,678)
Fair value changes in livestock		2,249		131
Interest expense		(179)		(48)
Foreign exchange loss		(5)		-
Net earnings before taxes, Blue Goose Capital Corp.	**$**	**(3,868)**	**$**	**243**
Net earnings before taxes, Blue Goose Capital Corp. attributable to:				
Owners of Dundee Corporation	$	(3,273)	$	192
Non-controlling interest		(595)		51
Net earnings before taxes, Blue Goose Capital Corp.	**$**	**(3,868)**	**$**	**243**

During the second quarter of 2013, Blue Goose generated a negative contribution margin of $3.1 million on revenue of $11.0 million. This compares with a contribution margin of $0.8 million on revenue of $1.9 million in the same quarter of 2012. Consistent with year-to-date results, negative contribution margins during the second quarter of 2013 reflect the costs of starting up a new abattoir in British Columbia, as well as the cost of ramping up chicken and fish sales volumes to retailers in Ontario and Quebec. This was partially offset by a positive contribution margin derived from Blue Goose's feed business.

For the three months ended June 30,	2013				2012			
Components of Agriculture Products*	Revenue	Costs	Margin	% Margin	Revenue	Costs	Margin	% Margin
Beef	$ 3,060	$ 6,018	$ (2,958)	(96.7%)	$ 1,931	$ 1,114	$ 817	42.3%
Chicken	995	1,145	(150)	(15.1%)	-	-	-	n/a
Fish	872	1,533	(661)	(75.8%)	-	-	-	n/a
Feed	5,136	4,757	379	7.4%	-	-	-	n/a
Other	916	608	308	33.6%	-	-	-	n/a
	$ 10,979	$ 14,061	$ (3,082)	(28.1%)	$ 1,931	$ 1,114	$ 817	42.3%

** Excludes general and administrative expenses, interest expense and depreciation*

Units of livestock sold during the second quarter of 2013 are illustrated in the table below.

	For the three months ended June 30,	
Unit sales	2013	2012
Beef (head)	893	359
Chicken (kgs)	138,498	-
Fish (lbs)	280,851	-

GOODMAN & COMPANY, INVESTMENT COUNSEL INC.

Management fee revenue earned by GCIC during the second quarter of 2013 was $1.1 million compared with $0.8 million earned in the same period of the prior year. Consistent with year-to-date results, the increase reflects the transfer of the management contracts relating to the "CMP", "CDR" and "Goodman Gold Trust" products from Dundee Securities Ltd., offset by a decrease in the value of the underlying AUM, reflective of market conditions, and in particular, the resource sector.

During the second quarter of 2013, GCIC incurred a net loss of $0.4 million, compared to a net loss in the second quarter of 2012 of $1.1 million.

DUNDEE SECURITIES LTD.

During the second quarter of 2013, Dundee Securities incurred a loss attributable to owners of Dundee Corporation of $6.1 million, compared with a loss of $5.9 million in the same quarter of the prior year.

For the three months ended June 30,	2013	2012
Revenues		
Management fees	$ 1,633	$ 3,096
Financial services		
Investment banking	6,484	11,972
Commissions	9,748	8,804
Principal trading	(4,788)	(2,577)
Foreign exchange trading	185	122
Interest and dividends	3,214	2,305
	16,476	23,722
Cost of sales		
Variable compensation	(6,302)	(11,726)
Other items in net earnings		
Depreciation	(706)	(168)
General and administrative	(14,984)	(17,560)
Interest expense	(246)	(96)
Foreign exchange loss	(353)	(65)
Net earnings attributable to Dundee Securities Ltd.	**$ (6,115)**	**$ (5,893)**
Net earnings before taxes, Dundee Securities Ltd. attributable to:		
Owners of Dundee Corporation	$ (6,115)	$ (5,893)
Non-controlling interest	-	-
Net earnings before taxes, Dundee Securities Ltd.	**$ (6,115)**	**$ (5,893)**

Revenues in Dundee Securities decreased to $16.5 million in the second quarter of 2013 from $23.7 million in the same period of the prior year. Investment banking revenue decreased by 46% relative to the second quarter of the prior year, as a result of a decrease in advisory fees and new issue transactions in the current quarter. During the three months ended June 30, 2013, Dundee Securities participated in 29 (three months ended June 30, 2012 – 33) public and private new issue transactions with the mining and oil and gas sectors representing 48% of new issue activity. These new issue financings generated revenue of $5.5 million in the second quarter of 2013, a significant decrease from the $8.3 million generated in the same period of 2012. Advisory fees earned in second quarter of 2013 were $1.0 million, also significantly less than the $3.6 million earned in the second quarter of 2012. Commission revenue increased to $9.7 million in the current quarter, compared to $8.8 million earned in the same period of the prior year.

Variable compensation expense was $6.3 million in the second quarter of 2013, compared with $11.7 million in the second quarter of 2012.

Management fee revenue earned from financial advisor accounts was $1.6 million in the three months ended June 30, 2013. This compares with $3.1 million earned on tax assisted investment products, closed-end funds, and financial advisor accounts in the same period of the prior year. Consistent with year-to-date results, the decrease reflects a decline in AUM levels resulting from the transfer of the associated management contracts relating to the "CMP", "CDR" and "Goodman Gold Trust" products to GCIC.

General and administrative expenses incurred by Dundee Securities were $15.0 million in the second quarter of 2013, compared with $17.6 million in the same period of the prior year, and partially reflect reduced business activities.

CONSOLIDATED QUARTERLY BUSINESS TRENDS

	2013		*2012*				*2011*	
For the three months ended	30-Jun	31-Mar	31-Dec	30-Sept	30-Jun	31-Mar	31-Dec	30-Sept
Net earnings for the period								
Continuing operations	$ (69,285)	$ (46,605)	$ 10,595	$ 21,232	$ (133,625)	$ 126,964	$ (39,818)	$ (52,444)
Discontinued operations	610,897	15,812	24,913	17,303	21,867	9,681	28,179	11,236
Net earnings attributable to owners of the parent	$ 541,612	$ (30,793)	$ 35,508	$ 38,535	$ (111,758)	$ 136,645	$ (11,639)	$ (41,208)
Earnings per share								
Basic								
Continuing operations	$ (1.32)	$ (0.90)	$ 0.15	$ 0.35	$ (2.47)	$ 2.27	$ (0.73)	$ (0.84)
Discontinued operations	11.29	0.29	0.46	0.31	0.40	0.18	0.49	0.17
	$ 9.97	$ (0.61)	$ 0.61	$ 0.66	$ (2.07)	$ 2.45	$ (0.24)	$ (0.67)
Diluted								
Continuing operations	n/a	n/a	$ 0.15	$ 0.34	n/a	$ 2.19	n/a	n/a
Discontinued operations	n/a	n/a	0.44	0.30	n/a	0.17	n/a	n/a
	n/a	n/a	$ 0.59	$ 0.64	n/a	$ 2.36	n/a	n/a

- In the second quarter of 2013, the Corporation realized a gain from discontinued operations of $599.4 million relating to the distribution of assets pursuant to its Arrangement with Dundee Realty.
- Included in net earnings are realized and unrealized gains or losses relating to the Corporation's direct investments in public and private securities. Changes in the market value of investments is determined by equity and credit markets and is expected to result in significant quarterly fluctuations in net earnings. The Corporation believes that equity and credit markets do not necessarily correctly reflect the underlying value of certain assets. As a consequence, management of the Corporation believes that the amount of unrealized gains or losses that will be included in net earnings in any given period typically provides little analytical or predictive value to the readers of the Corporation's financial information.
- In the fourth quarter of 2011, the Corporation completed a substantial issuer bid pursuant to which it acquired 10 million Subordinate Shares of the Corporation for subsequent cancellation. The reduction in the number of Subordinate Shares outstanding is reflected in the determination of earnings per share in the fourth quarter of 2011 and beyond.
- Net earnings in the third quarter of 2011 include a pre-tax gain of $95.6 million from the Corporation's divestment of a significant equity accounted investment.

- The Corporation may earn performance fee revenue if the returns on AUM exceed established benchmarks. Performance fees are contingent on the market values of the underlying portfolio at a specified point in time, generally at the calendar year end, or upon the conclusion of limited partnership arrangements. The Corporation may experience fluctuations in period-over-period revenues as performance fees are only recorded in earnings when amounts are determined with certainty.
- The Corporation's share of earnings from equity accounted investments is included in net earnings for each quarter. Earnings from each equity accounted investment and dilution gains and losses from these investments will fluctuate from period to period and may depend on market forces or other operating conditions that are not necessarily under the Corporation's direct control.

OFF-BALANCE SHEET ARRANGEMENTS, COMMITMENTS AND CONTINGENCIES

Other than as disclosed elsewhere in this MD&A or in note 30 to the June 2013 Interim Consolidated Financial Statements, there have been no significant changes in the nature of off-balance sheet arrangements, commitments and contingencies from those described in note 33 to the 2012 Audited Consolidated Financial Statements and under *"Off-Balance Sheet Arrangements"* and *"Commitments and Contingencies"* on pages 36 through 38 in the Corporation's MD&A as at and for the year ended December 31, 2012.

RELATED PARTY TRANSACTIONS

There have been no significant changes in the nature and scope of related party transactions to those described in note 34 to the 2012 Audited Consolidated Financial Statements and the accompanying MD&A.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of the Corporation's consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosure of contingent assets and liabilities. Critical accounting estimates represent estimates made by management that are, by their very nature, uncertain. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amount of revenues and expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. A summary of the more significant judgments and estimates made by management in the preparation of its financial information is provided in note 4 to the 2012 Audited Consolidated Financial Statements. There have been no significant changes in these judgments and estimates during the six months ended June 30, 2013.

Other than as disclosed in note 2 to the June 2013 Interim Consolidated Financial Statements, there have been no changes in the accounting policies adopted in the preparation of the Corporation's June 2013 Interim Consolidated Financial Statements from those detailed in note 3 to the Corporation's 2012 Audited Consolidated Financial Statements. Except for as noted elsewhere in this MD&A, the changes in accounting policies adopted during the first half of 2013 did not have a material impact to the June 2013 Interim Consolidated Financial Statements.

CONTROLS AND PROCEDURES

In accordance with the Canadian Securities Administrators' National Instrument 52-109, the Corporation has filed certificates signed by its Chief Executive Officer and the Chief Financial Officer certifying that, among other things, the design of disclosure controls and procedures and the design of internal control over financial reporting are adequate as at June 30, 2013.

Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Corporation in the reports it files or submits under securities legislation is recorded, processed, summarized and reported on a timely basis and that such information is accumulated and reported to management, including the Corporation's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow required disclosures to be made in a timely fashion. Based on their evaluation, the Chief Executive Officer and Chief Financial Officer concluded that as of June 30, 2013, the Corporation's disclosure controls and procedures were effective.

The Chief Executive Officer and Chief Financial Officer of the Corporation have also evaluated whether there were changes to the Corporation's internal control over financial reporting during the six months ended June 30, 2013 that have materially affected, or are reasonably likely to materially affect the Corporation's internal control over financial reporting. There were no changes identified during their evaluation.

MANAGING RISK

Except as otherwise disclosed in this MD&A, there have been no significant changes to the nature and scope of the risks faced by the Corporation as described in the Corporation's 2012 Annual Information Form under "Risk Factors" which is available on SEDAR at *www.sedar.com*.

FORWARD LOOKING STATEMENTS

Dundee Corporation's public communications may include written or oral forward looking statements. Statements of this type are included in this MD&A, and may be included in other filings with the Canadian regulators, stock exchanges or in other communications. All such statements constitute forward looking information within the meaning of securities law and 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 Corporation's objectives and priorities for 2013 and beyond, strategies or further actions with respect to the Corporation, 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 the Corporation's management and inherently involve numerous risks and uncertainties, known and unknown, including economic factors and those affecting the financial services, energy, resources and real estate industries generally. The forward looking information contained in this MD&A is presented for the purpose of assisting shareholders in understanding 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 MD&A, including, among other factors, those referenced in the section entitled "Risk Factors" in the Corporation's Annual Information Form, which include, but are not limited to, general economic and market conditions; the Corporation's ability to execute strategic plans and meet financial obligations; the performance of the Corporation's principal subsidiaries; the Corporation's ability to raise additional capital; the Corporation's ability to create, attract and retain AUM and AUA; risks relating to trading activities and investments; competition faced by the Corporation; regulation of the Corporation's businesses; successful integration of the Corporation with acquired businesses and the realization of any anticipated synergies; risks associated with the Corporation's operating businesses and the Corporation's investment holdings in general, including risks associated with oil and gas and mining exploration, development and production activities, environmental risks, inflation, changes in interest rates, commodity prices and other financial exposures; the availability and adequacy of insurance coverage for the Corporation and its subsidiaries; maintenance of minimum regulatory capital requirements for certain of the Corporation's subsidiaries; potential liability of the Corporation and its subsidiaries under securities laws and for violations of investor suitability requirements; and the ability of the Corporation 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 is compiled based upon information available as of August 12, 2013.

Forward looking statements contained in this MD&A are based upon assumptions about the future performance of the Canadian, European and United States economies, which were material factors considered by management when setting Dundee Corporation's strategic priorities and objectives. In determining expectations for economic growth in the real estate, resource and capital markets sectors, the Corporation considered historical economic data provided by the Canadian government and its agencies, market and general economic conditions, which factors are unpredictable and may impact the Corporation's performance.

Forward looking statements contained in this MD&A are not guarantees of future performance and, while forward looking statements are based on certain assumptions that the Corporation considers reasonable, actual events and results could differ materially from those expressed or implied by forward looking statements made by the Corporation. Prospective investors are cautioned to consider these and other factors carefully when making decisions with respect to the Corporation and not place undue reliance on forward looking statements. Circumstances affecting the Corporation may change rapidly. Except as may be required by applicable law, the Corporation 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.

INFORMATION CONCERNING DUNDEE CORPORATION

Additional information relating to Dundee Corporation, including a copy of the Corporation's Annual Information Form, may be found on SEDAR at *www.sedar.com* and the Corporation's website at *www.dundeecorp.com*.

Toronto, Ontario
August 12, 2013

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited)

(expressed in thousands of Canadian dollars)

	Note		As at June 30, 2013		December 31, 2012
					(note 2)
ASSETS					
Cash		$	59,592	$	41,824
Accounts receivable			204,593		315,607
Client accounts receivable	6		727,862		332,627
Derivative financial assets	7		2,824		5,135
Brokerage securities owned	8		113,697		74,381
Income taxes receivable (payable)			25,796		(47,798)
Investments	9		892,990		1,228,512
Equity accounted investments	10		738,726		464,536
Real estate joint venture investments			-		65,204
Real estate assets			-		572,878
Resource properties	11		296,995		169,761
Livestock	12		22,788		17,651
Capital and other assets	13		151,086		97,980
TOTAL ASSETS		**$**	**3,236,949**	**$**	**3,338,298**
LIABILITIES					
Accounts payable and accrued liabilities		$	135,447	$	261,850
Client deposits and related liabilities	14		774,247		364,198
Brokerage securities sold short	8		27,911		17,289
Corporate debt	15		261,712		333,062
Decommissioning liabilities	16		38,507		44,739
Preference Shares, series 1	17		-		148,773
Preference Shares, series 4	17		106,290		-
Deferred income tax liabilities	25		78,115		153,238
			1,422,229		1,323,149
SHAREHOLDERS' EQUITY					
Share capital					
Common shares	18		208,245		207,768
Preference Shares, series 2	17		127,068		127,068
Contributed surplus			3,588		11,720
Retained earnings			1,365,578		1,529,378
Accumulated other comprehensive loss	19		(2,163)		(7,949)
			1,702,316		1,867,985
NON-CONTROLLING INTEREST	20		112,404		147,164
			1,814,720		2,015,149
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**3,236,949**	**$**	**3,338,298**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Commitments, contingencies and off-balance sheet arrangements (note 30)

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

(expressed in thousands of Canadian dollars, except for per share amounts)

		For the three months ended		For the six months ended	
	Note	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
			(note 2)		(note 2)
REVENUES	21	$ 48,033	$ 47,090	$ 89,856	$ 108,098
OTHER ITEMS IN NET EARNINGS					
Cost of sales	22	(23,910)	(15,975)	(40,272)	(38,519)
Depreciation and depletion	11, 13	(5,119)	(4,700)	(10,281)	(9,828)
General and administrative	24	(27,136)	(33,722)	(54,817)	(60,782)
Net loss from investments	9	(112,355)	(152,883)	(176,778)	(9,033)
Share of earnings from equity accounted investments	10	18,757	9,202	26,682	17,988
Loss on sale of equity accounted investment		(11)	(90)	(35)	(161)
Fair value changes in livestock	12	2,249	131	3,941	1,118
(Loss) gains on derivative financial instruments	7	(3,506)	1,629	(3,452)	2,349
Interest expense	15, 16	(3,841)	(7,224)	(7,732)	(13,892)
Foreign exchange gains (loss)		2,382	(1,275)	3,125	(1,459)
NET EARNINGS BEFORE INCOME TAXES		(104,457)	(157,817)	(169,763)	(4,121)
Income taxes recovery (expense)	25	32,055	23,776	49,540	(3,685)
NET EARNINGS FROM CONTINUING OPERATIONS		(72,402)	(134,041)	(120,223)	(7,806)
DISCONTINUED OPERATIONS	4				
Earnings, net of taxes		15,201	30,602	37,323	44,090
Gain on distribution of assets, net of taxes		599,446	-	599,446	-
		614,647	30,602	636,769	44,090
NET EARNINGS FOR THE PERIOD		**$ 542,245**	**$ (103,439)**	**$ 516,546**	**$ 36,284**
NET EARNINGS ATTRIBUTABLE TO:					
Owners of the parent					
Continuing operations		(69,285)	(133,625)	(115,890)	(6,661)
Discontinued operations		610,897	21,867	626,709	31,548
		541,612	(111,758)	510,819	24,887
Non-controlling interest					
Continuing operations		(3,117)	(416)	(4,333)	(1,145)
Discontinued operations		3,750	8,735	10,060	12,542
		633	8,319	5,727	11,397
		$ 542,245	**$ (103,439)**	**$ 516,546**	**$ 36,284**
NET EARNINGS PER SHARE	26				
Basic and diluted					
Continuing operations		$ (1.32)	$ (2.47)	$ (2.22)	$ (0.20)
Discontinued operations		11.29	0.40	11.59	0.58
		$ 9.97	$ (2.07)	$ 9.37	$ 0.38

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

(expressed in thousands of Canadian dollars)

	Note	For the three months ended June 30, 2013	For the three months ended June 30, 2012	For the six months ended June 30, 2013	For the six months ended June 30, 2012
			(note 2)		(note 2)
NET EARNINGS FOR THE PERIOD		$ 542,245	$ (103,439)	$ 516,546	$ 36,284
Other comprehensive income:					
Items that may be reclassified to net earnings					
Unrealized gains (loss) from foreign currency translation		534	(1)	536	8
Share of other comprehensive gains (loss) from equity accounted investments,		6,775	(3,834)	6,371	(9,363)
net of associated taxes		(1,833)	1,066	(1,726)	2,496
Other comprehensive income from continuing operations		5,476	(2,769)	5,181	(6,859)
Other comprehensive income from discontinued operations,	4	909	(381)	1,533	(817)
net of associated taxes		(204)	216	(171)	150
Total other comprehensive income for the period		6,181	(2,934)	6,543	(7,526)
COMPREHENSIVE INCOME FOR THE PERIOD		**$ 548,426**	**$ (106,373)**	**$ 523,089**	**$ 28,758**
COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent					
Continuing operations		(63,891)	(136,408)	(110,791)	(13,534)
Discontinued operations		611,561	21,585	627,804	30,976
		547,670	(114,823)	517,013	17,442
Non-controlling interest					
Continuing operations		(3,035)	(402)	(4,251)	(1,131)
Discontinued operations		3,791	8,852	10,327	12,447
		756	8,450	6,076	11,316
		$ 548,426	**$ (106,373)**	**$ 523,089**	**$ 28,758**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(unaudited)

(expressed in thousands of Canadian dollars)

	Attributable to Owners of the Parent						
	Common Shares	Preference Shares, Series 2	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Loss	Non-controlling Interest	Total
Balance, December 31, 2011	$ 210,573	$ 127,068	$ 14,253	$ 1,522,522	$ (67,144)	$ 211,475	$ 2,018,747
Implementation of IFRS 9 (note 2)	-	-	-	(64,895)	64,895	-	-
Balance, January 1, 2012	210,573	127,068	14,253	1,457,627	(2,249)	211,475	2,018,747
For the six months ended June 30, 2012							
Net earnings, continuing operations	-	-	-	(6,661)	-	(1,145)	(7,806)
Net earnings, discontinued operations (note 4)	-	-	-	31,548	-	12,542	44,090
Other comprehensive income, continuing operations	-	-	-	-	(6,873)	14	(6,859)
Other comprehensive income, discontinued operations (note 4)	-	-	-	-	(572)	(95)	(667)
Issuance of Class A subordinate shares for non-cash consideration (note 18)	35	-	-	-	-	-	35
Issuance of Class A subordinate shares for cash (note 18)	35	-	-	-	-	-	35
Dividends on Preference Shares, series 2	-	-	-	(4,388)	-	-	(4,388)
Stock based compensation (note 23)	-	-	1,197	-	-	-	1,197
Exercise of options (note 18)	634	-	(28)	-	-	-	606
Share incentive arrangements	-	-	2,000	-	-	-	2,000
Dividends paid to non-controlling interest	-	-	-	-	-	(6,000)	(6,000)
Changes of ownership interest in subsidiaries (note 5)	-	-	(5,386)	-	-	(77,967)	(83,353)
Balance, June 30, 2012	211,277	127,068	12,036	1,478,126	(9,694)	138,824	1,957,637
From July 1, 2012 to December 31, 2012							
Net earnings, continuing operations	-	-	-	31,827	-	(8,105)	23,722
Net earnings, discontinued operations	-	-	-	42,216	-	17,940	60,156
Other comprehensive income, continuing operations	-	-	-	-	1,420	-	1,420
Other comprehensive income, discontinued operations	-	-	-	-	325	(112)	213
Acquisition of Class A subordinate shares for cancellation (note 18)	(3,646)	-	-	(18,404)	-	-	(22,050)
Issuance of Class A subordinate shares for non-cash consideration (note 18)	35	-	-	-	-	-	35
Issuance of Class A subordinate shares for cash (note 18)	35	-	-	-	-	-	35
Dividends on Preference Shares, series 2	-	-	-	(4,387)	-	-	(4,387)
Stock based compensation (note 23)	-	-	1,225	-	-	-	1,225
Exercise of options (note 18)	67	-	(20)	-	-	-	47
Share incentive arrangements	-	-	(1,099)	-	-	-	(1,099)
Dividends paid to non-controlling interest	-	-	-	-	-	(4,500)	(4,500)
Changes of ownership interest in subsidiaries (note 5)	-	-	(422)	-	-	3,117	2,695
Balance, December 31, 2012	207,768	127,068	11,720	1,529,378	(7,949)	147,164	2,015,149
For the six months ended June 30, 2013							
Net earnings, continuing operations	-	-	-	(115,890)	-	(4,333)	(120,223)
Net earnings, discontinued operations (note 4)	-	-	-	626,709	-	10,060	636,769
Other comprehensive income, continuing operations	-	-	-	-	5,099	82	5,181
Other comprehensive income, discontinued operations (note 4)	-	-	-	-	1,095	267	1,362
Issuance of Class A subordinate shares for non-cash consideration (note 18)	35	-	-	-	-	-	35
Issuance of Class A subordinate shares for cash (note 18)	35	-	-	-	-	-	35
Dividends on Preference Shares, series 2	-	-	-	(4,388)	-	-	(4,388)
Stock based compensation (note 23)	-	-	915	-	-	-	915
Exercise of options (note 18)	407	-	(122)	-	-	-	285
Distribution of assets (note 4)	-	-	(7,938)	(670,231)	(408)	(115,864)	(794,441)
Changes of ownership interest in subsidiaries (note 5)	-	-	(987)	-	-	75,028	74,041
Balance, June 30, 2013	**$ 208,245**	**$ 127,068**	**$ 3,588**	**$ 1,365,578**	**$ (2,163)**	**$ 112,404**	**$ 1,814,720**

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW
(unaudited)

(expressed in thousands of Canadian dollars)

	Note	For the six months ended June 30, 2013	June 30, 2012
OPERATING ACTIVITIES:			
Net earnings for the period		$ 516,546	$ 36,284
Adjusted for:			
Net earnings from discontinued operations	4	(37,323)	(44,090)
Gain on distribution of assets	4	(599,446)	-
Dividends received from discontinued operations		7,000	14,000
Items not affecting cash and other adjustments	27	126,640	5,993
Changes in non-cash working capital items	27	(58,171)	(31,671)
Cash used in operating activities – continuing operations		(44,754)	(19,484)
Cash (used in) provided from operating activities – discontinued operations		(15,496)	44,873
CASH (USED IN) PROVIDED FROM OPERATING ACTIVITIES		(60,250)	25,389
INVESTING ACTIVITIES:			
Net investment in resource properties		(5,835)	(7,874)
Net investment in livestock and other agricultural assets		(60,595)	(20,966)
Acquisition of cash in a business combination		9,350	-
Acquisition of portfolio investments		(227,493)	(174,230)
Proceeds from dispositions of portfolio investments		196,222	267,895
Net investment in capital and other assets		(7,572)	(3,702)
Cash (used in) provided from investing activities – continuing operations		(95,923)	61,123
Cash used in investing activities – discontinued operations		(983)	(13,262)
CASH (USED IN) PROVIDED FROM INVESTING ACTIVITIES		(96,906)	47,861
FINANCING ACTIVITIES:			
Change in corporate debt		163,025	(33,515)
Acquisitions from non-controlling interest		-	(88,633)
Net issuance of Class A subordinate shares, net of issue costs		318	641
Net issuance of shares by subsidiaries to non-controlling interest		7,977	584
Dividends paid on Preference Shares, series 2		(4,388)	(4,388)
Cash provided from (used in) financing activities – continuing operations		166,932	(125,311)
Cash provided from (used in) financing activities – discontinued operations		24,285	(31,160)
CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES		191,217	(156,471)
NET INCREASE (DECREASE) IN CASH DURING THE PERIOD		34,061	(83,221)
Cash, continuing operations, beginning of period		33,337	212,784
Cash, discontinued operations, beginning of period		8,487	739
		75,885	130,302
Less: cash disposed of on distribution of assets		(16,293)	-
Less: cash, discontinued operations, end of period		-	(1,190)
CASH, CONTINUING OPERATIONS, END OF PERIOD		**$ 59,592**	**$ 129,112**
Cash flows include the following amounts:			
Interest paid		$ 7,280	$ 13,409
Taxes paid		$ 48,107	$ 9,818

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

DUNDEE CORPORATION
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

For the three and six months ended June 30, 2013 and June 30, 2012
Tabular dollar amounts in thousands of Canadian dollars, except per share amounts

1. NATURE OF OPERATIONS

Dundee Corporation (the "Corporation" or "Dundee Corporation") is a holding company owning subsidiaries engaged in the areas of the Corporation's core competencies including energy, resources, agriculture, real estate and infrastructure. The Corporation also owns and manages direct investments in these core focus areas. Information regarding the Corporation's reportable business segments is contained in note 32.

The Corporation is incorporated under the Business Corporations Act (Ontario) and is domiciled in Canada. The Corporation's head office is located at 1 Adelaide Street East, 21st Floor, Toronto, Ontario, Canada, M5C 2V9. The Corporation is listed on the Toronto Stock Exchange ("TSX") under the symbol "DC.A".

At June 30, 2013 and December 31, 2012, the Corporation's major operating subsidiaries included:

	As at and for the six months ended June 30, 2013		As at and for the year ended December 31, 2012	
(in alphabetical order)	Opening Ownership	Ending Ownership	Opening Ownership	Ending Ownership
Blue Goose Capital Corp.	83%	83%	81%	83%
Dundee Energy Limited	57%	58%	57%	57%
Dundee Realty Corporation (note 4)	70%	0%	70%	70%
Dundee Securities Ltd.	100%	100%	49%	100%
Goodman & Company, Investment Counsel Inc.	100%	100%	100%	100%
United Hydrocarbon International Corp. (note 5)	n/a	28%	n/a	n/a

2. BASIS OF PREPARATION

These unaudited condensed interim consolidated financial statements of the Corporation as at and for the three and six months ended June 30, 2013 ("June 2013 Interim Consolidated Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and with interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Canadian Institute of Chartered Accountants, as applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, *"Interim Financial Reporting"*. The June 2013 Interim Consolidated Financial Statements should be read in conjunction with the Corporation's audited consolidated financial statements as at and for the year ended December 31, 2012 ("2012 Audited Consolidated Financial Statements") which were prepared in accordance with IFRS as applicable for annual financial statements. The June 2013 Interim Consolidated Financial Statements were authorized for issuance by the Board of Directors on August 12, 2013.

The June 2013 Interim Consolidated Financial Statements follow the same accounting principles and methods of application as those disclosed in note 3 to the 2012 Audited Consolidated Financial Statements, except as described below.

Certain items on the consolidated statement of financial position as at December 31, 2012 have been reclassified to conform to the June 30, 2013 presentation. The Corporation does not believe that these reclassifications had a material effect on the June 2013 Interim Consolidated Financial Statements, from either a quantitative or a qualitative perspective.

Changes in Accounting Policies Implemented During the Three and Six Months Ended June 30, 2013

The Corporation has adopted the following new and revised accounting standards, including any consequential amendments thereto. Changes in accounting policies adopted by the Corporation were made in accordance with the applicable transitional provisions as provided in those standards and amendments.

IFRS 7, "Financial Instruments: Disclosure" ("IFRS 7")

Amendments to IFRS 7 require the disclosure of information that enables users of an entity's financial statements to evaluate the effect, or potential effect, of offsetting financial assets and financial liabilities, to the entity's financial position. The Corporation adopted IFRS 7 on January 1, 2013 and, accordingly, the Corporation has included disclosures relating to the offsetting of derivative financial assets against derivative financial liabilities, if any, in notes 7 and 9 to the June 2013 Interim Consolidated Financial Statements.

IFRS 9, "Financial Instruments: Classification and Measurement" ("IFRS 9")

The Corporation has elected to early adopt IFRS 9. This standard replaces the guidance in IAS 39, *"Financial Instruments: Recognition and Measurement"* relating to the classification and measurement of financial assets and liabilities. IFRS 9 eliminates the classification of financial instruments as *"available-for-sale"* and *"held to maturity"*, and the requirement to bifurcate embedded derivatives with respect to hybrid contracts. Under IFRS 9, equity instruments are classified as financial instruments carried at fair value with changes in fair value recorded in profit or loss ("FVTPL"), or in other comprehensive income if they are not held for trading and are designated as such on initial recognition ("FVOCI"). The Corporation's equity instruments are classified as FVTPL and equity instruments held by the Corporation's equity accounted investees have been classified as FVOCI. Fixed income investments are measured at amortized cost if both of the following criteria are met: (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset gives rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding. Otherwise, fixed income investments are measured as FVTPL. Investments in hybrid contracts are classified as FVTPL. There were no changes to the classification of financial liabilities as a result of the adoption of IFRS 9. Furthermore, the implementation of IFRS 9 did not result in any significant changes to the measurement of the fair values of the Corporation's financial instruments. The Corporation adopted IFRS 9 on April 1, 2013 on a retrospective basis, the effect of which was to recognize all unrealized gains and losses on financial instruments that were included in accumulated other comprehensive income to retained earnings. The impact on individual financial statement line items is as follows:

Impact on Consolidated Statements of Financial Position

		As at
Increase (decrease) to:	December 31, 2012	January 1, 2012
Retained earnings	$ 23,209	$ (64,895)
Accumulated other comprehensive income	(23,209)	64,895

Impact on Consolidated Statements of Earnings and Comprehensive Income

Increase (decrease) to:	For the three months ended June 30, 2012	For the six months ended June 30, 2012
Unrealized gains (loss) from investments	$ (118,857)	$ 3,417
Deferred income tax recovery	23,894	5,804
Other comprehensive loss (income),	118,857	(3,417)
net of taxes	(23,894)	(5,804)

IFRS 10, "Consolidated Financial Statements" ("IFRS 10")

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under prior IFRS, consolidation was required when an entity had the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12, *"Consolidation — Special Purpose Entities"* and parts of IAS 27, *"Consolidated and Separate Financial Statements"*. The Corporation adopted IFRS 10 on January 1, 2013. The adoption of IFRS 10 resulted in the Corporation consolidating its investment in United Hydrocarbon International Corp. ("UHI") (note 5).

IFRS 11, "Joint Arrangements" ("IFRS 11")

IFRS 11 supersedes IAS 31, *"Interests in Joint Ventures"* and SIC-13, *"Jointly Controlled Entities – Non-monetary Contributions by Venturers"*. IFRS 11 requires the classification of joint arrangements as either joint ventures or joint operations, reflecting the underlying contractual rights and obligations of each investor that jointly controls the arrangement. Joint arrangements that are classified as joint operations are accounted for using the proportionate consolidation method whereby the Corporation recognizes its share of the assets, liabilities, revenues and expenses of the joint operations. Joint arrangements classified as joint ventures are accounted for using the equity method as set out in IAS 28, *"Investments in Associates and Joint Ventures"* (amended in 2011). Under previous IFRS, entities had the choice to proportionately consolidate or equity account for interests in joint ventures. The adoption of IFRS 11 had no impact on the Corporation's financial statements.

IFRS 12, "Disclosure of Interests in Other Entities" ("IFRS 12")

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, equity accounted investments, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosure and also introduces significant additional disclosure requirements that address the nature of, and risks associated with an entity's interests in other entities. The Corporation adopted IFRS 12 on January 1, 2013. The adoption of this disclosure standard did not have an impact on the Corporation's June 2013 Interim Consolidated Financial Statements, but is expected to result in additional disclosure in the Corporation's annual financial statements as at and for the year ending December 31, 2013.

IFRS 13, "Fair Value Measurement" ("IFRS 13")

IFRS 13 provides a single framework for measuring fair value as a marked-to-market adjustment within IFRS. The new standard requires that the measurement of the fair value of an asset or liability, as measured for accounting purposes, be based on assumptions that market participants would use when pricing the asset or liability under market conditions existing as of the date of the statement of financial position, including assumptions relating to risk. Considerable judgment may be required in interpreting market data used to develop the estimates of fair value. Accordingly, estimates of fair value presented herein are not necessarily indicative of the amounts that could be realized in a current or future market exchange. The Corporation adopted IFRS 13 on January 1, 2013, on a prospective basis. The adoption of IFRS 13 did not require any adjustments to the valuation techniques used by the Corporation.

IAS 1, "Presentation of Financial Statements" ("IAS 1")

The amended IAS 1 standard requires grouping together, within other comprehensive income ("OCI"), items that may be reclassified to net earnings in subsequent periods, separate from other items within OCI. The amendments also reaffirm the existing presentation requirements that items in OCI and net earnings should be presented as a single statement or two consecutive statements. The adoption of IAS 1 had no material impact on the presentation of items on the Corporation's financial statements of comprehensive income.

Accounting Standards, Interpretations and Amendments to Existing Standards not yet Effective

IAS 36, "Impairment of Assets" ("IAS 36")
On May 29, 2013, the IASB made amendments to the disclosure requirements of IAS 36, requiring disclosure, in certain instances, of the recoverable amount of an asset or cash generating unit, and the basis for the determination of fair value less costs of disposal, when an impairment loss is recognized or when an impairment loss is subsequently reversed. The amendments to IAS 36 are effective for annual periods beginning on or after January 1, 2014 and will be applied prospectively.

*Amendments to Other Standar*ds
Other accounting standards, interpretations and amendments to existing standards that are not yet effective are outlined in note 3 to the 2012 Audited Consolidated Financial Statements.

The Corporation has not completed its assessment of the impact that the new and amended standards will have on its financial statements, or whether to early adopt any of the new requirements.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the June 2013 Interim Consolidated Financial Statements requires management to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the Corporation's reported amounts of assets, liabilities, revenues and other items in net earnings, and the related disclosure of contingent assets and liabilities, if any. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying values of assets and liabilities and the reported amount of revenues and other items in net earnings that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. There have been no significant changes in accounting judgments, estimates and assumptions made by the Corporation in the preparation of the June 2013 Interim Consolidated Financial Statements from those judgments, estimates and assumptions disclosed in note 4 to the 2012 Audited Consolidated Financial Statements.

4. DISTRIBUTION OF DUNDEE REALTY CORPORATION TO SHAREHOLDERS

On May 16, 2013, the Corporation's shareholders approved a corporate restructuring, through a tax efficient plan of arrangement (the "Arrangement"), that resulted in the Corporation exchanging its 70% interest in Dundee Realty Corporation ("Dundee Realty"), the Corporation's principal real estate operating subsidiary, for certain shares of DREAM Unlimited Corp. ("DREAM"), a holding company established for the purpose of completing the Arrangement. The transaction was completed on May 30, 2013. In accordance with the terms of the Arrangement, the shares of DREAM received by the Corporation were effectively distributed to shareholders of the Corporation such that holders of the Corporation's Class A subordinate voting shares ("Subordinate Shares") received one Class A subordinate voting share of DREAM for each Subordinate Share held, and holders of the Corporation's Class B common shares ("Class B Shares) received one Class B common share of DREAM for each such Class B Share held. The Corporation retained a 28.57% interest in DREAM, providing it with a 20% indirect interest in Dundee Realty.

The Corporation's Preference Shares, series 1 (note 17) had a liquidation value of $25.00 per share. As part of the Arrangement, holders of the Corporation's Preference Shares, series 1 exchanged each such Preference Share, series 1 for (i) one 5.00% cumulative first preference share, series 4 of the Corporation ("Preference Shares, series 4") with a liquidation value of $17.84 per share; and (ii) one 7.00% cumulative redeemable first preference share, series 1 of DREAM with a liquidation value of $7.16 per share. Holders of the Corporation's Preference Shares, series 2 did not participate in the Arrangement.

As the Corporation's controlling interest in Dundee Realty was transferred to DREAM pursuant to the Arrangement, and in accordance with accounting requirements, (i) the Corporation has derecognized the assets and liabilities of Dundee Realty in its consolidated statement of financial position, and recognized a gain on the distribution of the net assets of Dundee Realty to its shareholders; and (ii) the Corporation has recognized its retained investment in DREAM at the fair value of the DREAM shares on the date of the completion of the Arrangement.

The assets and liabilities of Dundee Realty derecognized on May 30, 2013, and the resulting gain on the distribution of such net assets to the Corporation's shareholders is illustrated in the table below.

Fair value of the distribution of assets				
DREAM Class A subordinate and Class B common shares			$	670,229
DREAM First preference shares, series 1				43,790
Carrying amount of the net assets distributed				
Cash	$	16,293		
Accounts receivable		228,708		
Investments, including investments in real estate joint ventures		140,469		
Real estate assets		586,494		
Accounts payable and accrued liabilities		(163,557)		
Income taxes payable		(6,859)		
Corporate debt		(219,798)		
Deferred income tax liabilities		(66,205)		
Amounts owed by Dundee Realty to the Corporation		(71,127)		
Non-controlling interest		(115,864)		(328,554)
Other comprehensive income reclassified to the statement of operations				408
Transaction costs deducted from gain on distribution of assets				(4,000)
Effect of distribution of assets on stock based compensation (note 23)				(24,295)
Retained interest in DREAM (note 10)				268,073
Gain on distribution of assets before income taxes				625,651
Deferred income taxes on retained assets				(26,205)
Gain on distribution of assets, net of taxes			$	599,446

The operating performance of Dundee Realty prior to completion of the distribution has been included in the Corporation's consolidated statements of operations and comprehensive income for the three and six months ended June 30, 2013 and 2012 as *"discontinued operations, net of taxes"* and was comprised of the following amounts:

	From April 1, 2013 to May 30, 2013	For the three months ended June 30, 2012	From January 1, 2013 to May 30, 2013	For the six months ended June 30, 2012
Revenues	$ 76,231	$ 124,134	$ 198,385	$ 194,409
Cost of sales	(53,625)	(84,228)	(140,034)	(132,176)
Other amounts in earnings	(1,282)	1,242	(6,544)	(2,057)
Income taxes	(6,123)	(10,546)	(14,484)	(16,086)
Earnings from discontinued operations, net of taxes	15,201	30,602	37,323	44,090
Non-controlling interest	(3,750)	(8,735)	(10,060)	(12,542)

		From April 1, 2013 to May 30, 2013		For the three months ended June 30, 2012		From January 1, 2013 to May 30, 2013		For the six months ended June 30, 2012
Other comprehensive income	$	909	$	(381)	$	1,533	$	(817)
Income taxes		(204)		216		(171)		150
Other comprehensive income, net of taxes		705		(165)		1,362		(667)
Non-controlling interest		(41)		(117)		(267)		95

5. BUSINESS COMBINATIONS, ACQUISITIONS AND DILUTIONS OF INTERESTS IN SUBSIDIARIES

Business Combinations and Asset Purchases

United Hydrocarbon International Corp.

Through a series of transactions, the Corporation has acquired 27,400,000 shares or 28% of UHI, a private, oil and gas exploration, development and production company with activities in the Republic of Chad. During the second quarter of 2013, and in addition to its investment in shares of UHI, the Corporation acquired $46,827,000 senior secured convertible debentures carrying an interest rate of up to 12% per annum, and it received certain common share purchase warrants. The Corporation's investment in the senior secured convertible debentures, and the granting to the Corporation of share purchase warrants, provides the Corporation with the ability to control the business activities of UHI. Accordingly, the Corporation has determined that these transactions represent a business combination, with the Corporation as the acquirer. The Corporation began consolidating the operating results, cash flow and net assets of UHI from June 2013. The table below presents the purchase price paid and the Corporation's preliminary allocation of the purchase price to the assets and liabilities of UHI acquired.

Net assets acquired:		
Resource properties	$	127,565
Cash		9,350
Other assets		1,907
Assumed liabilities		(2,657)
Debt due to Dundee Corporation*		(46,827)
		89,338
Allocated to non-controlling interest		(62,334)
	$	27,004
Aggregate consideration transferred:		
Cash paid for shares	$	27,004
	$	27,004

* *Eliminated in these unaudited condensed interim consolidated financial statements.*

Agricultural Investments

During the six months ended June 30, 2013, the Corporation completed several agricultural-based acquisitions, including business combinations and asset acquisitions. The table below presents the aggregate purchase price paid and the Corporation's preliminary allocation of the purchase price to the assets and liabilities acquired.

Net assets acquired:		
Capital assets	$	48,749
Livestock		4,288
Resource properties		5,246
Net liabilities assumed		(3,150)
	$	55,133
Aggregate consideration transferred		
Cash	$	55,133
	$	55,133

Change of Ownership Interests in Subsidiaries

				Interest Owned as at	Effect on Contributed Surplus during the six months ended	
	30-Jun-13	31-Dec-12	30-Jun-12	31-Dec-11	30-Jun-13	30-Jun-12
Blue Goose Capital Corp.	83%	83%	76%	81%	$ 74	$ 204
Dundee Securities Ltd.	100%	100%	100%	49%	-	(4,977)
Dundee Energy Limited	58%	57%	57%	57%	(859)	148
Dundee Realty Corporation (note 4)	0%	70%	70%	70%	-	(128)
Nichromet Extraction Inc.	76%	75%	72%	70%	(202)	(633)

Blue Goose Capital Corp.

During the six months ended June 30, 2013, the Corporation acquired 2,600,000 newly issued common shares of Blue Goose Capital Corp. ("Blue Goose") for $26,000,000. Concurrent with the Corporation's investment, Blue Goose issued shares to its non-controlling shareholders for cash and/or in consideration for asset acquisitions. On a net basis, the Corporation's investment in Blue Goose remained unchanged from 83% at December 31, 2012. The Corporation's increase in its investment in Blue Goose during the six months ended June 30, 2013 resulted in an increase of $74,000 in contributed surplus.

During the first half of 2012, the Corporation acquired 1,221,500 newly issued common shares of Blue Goose for $12,215,000. On a net basis, the Corporation's investment in Blue Goose was diluted from 81% at December 31, 2011 to 76% at June 30, 2012 and, accordingly, the Corporation recorded a dilution gain of $204,000 in contributed surplus.

Dundee Energy Limited ("Dundee Energy")

On April 5, 2013, the Corporation purchased 15,771,991 flow-through common shares of Dundee Energy pursuant to a rights offering to its shareholders. The Corporation purchased the flow-through common shares at a cost of $6,151,000. The purchase increased the Corporation's interest in Dundee Energy to 58%, which resulted in a decrease of $859,000 in contributed surplus.

During the six months ended June 30, 2012, the Corporation recognized an increase in contributed surplus of $148,000 due to changes in the equity of Dundee Energy.

Nichromet Extraction Inc.

During the first half of 2013, the Corporation exercised warrants to acquire 7,125,000 common shares of Nichromet Extraction Inc. ("Nichromet") for $1,425,000. The marginal increase in ownership resulted in a reduction to contributed surplus of $202,000.

During the six months ended June 30, 2012, the Corporation acquired 4,500,000 common shares of Nichromet for $1,100,000. The acquisition increased the Corporation's ownership from 70% to approximately 72% at the end of June 2012. The increase in the Corporation's interest in Nichromet resulted in a decrease to contributed surplus of $633,000.

Dundee Capital Markets Inc.

On February 1, 2012, the Corporation acquired all of Dundee Capital Markets Inc.'s ("Dundee Capital Markets") outstanding common shares held by non-controlling shareholders at a price of $1.125 per share by way of a court approved plan of arrangement under the Business Corporations Act (Ontario). Dundee Capital Markets is the parent company of Dundee Securities Ltd. ("Dundee Securities"). The Corporation paid $88,033,000 in respect of the transaction. The difference between the consideration paid and the carrying value of the non-controlling interest of $83,056,000, aggregating $4,977,000, was recorded as a decrease in contributed surplus.

Equity Changes in Subsidiaries

As a result of changes in the equity of certain other subsidiaries during the six months ended June 30, 2012, the Corporation recognized a decrease of $128,000 in contributed surplus.

6. CLIENT ACCOUNTS RECEIVABLE

As at		June 30, 2013		December 31, 2012
Client accounts	$	342,891	$	184,070
Brokers' and dealers' balances		7,485		5,516
Funds deposited into trust		187,919		132,896
Amounts receivable from carrying broker		189,567		10,145
	$	**727,862**	**$**	**332,627**

Funds deposited into trust represent client funds deposited and held by the Corporation's full service brokerage subsidiary, Dundee Securities, in registered accounts. These funds have been deposited with a Canadian trust company. Included in *"Client deposits and related liabilities"* (note 14) is a corresponding liability related to these deposits.

On January 1, 2012, Dundee Securities entered into an introducing and carrying broker arrangement with Fidelity Clearing Canada. "*Amounts receivable from carrying broker*" represents non-registered client balances and other corporate funds held by the carrying broker pursuant to this arrangement.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Risk Management Contracts

At June 30, 2013, Dundee Energy had entered into certain risk management contracts as identified in the table below. These derivative instruments are not designated in a qualifying hedge relationship and accordingly, they are classified as financial instruments at FVTPL and are measured at their estimated fair value with changes recorded in net earnings in the period in which they occur.

Contract Fixed Price Swap	Volume	Pricing Point	Strike Price (Cdn$/unit)	Remaining Term		Fair Value June 30, 2013
Crude oil	500 bbl/d	NYMEX	$98.22	Jul 01/13 to Dec 31/13	$	(198)
Natural gas	6,250 mbtu/d	NYMEX	$4.07	Jul 01/13 to Dec 31/13		262
					$	64

Dundee Energy has determined that its risk management contracts at June 30, 2013 resulted in an asset balance of $64,000 (December 31, 2012 – $215,000). During the six months ended June 30, 2013, Dundee Energy cancelled natural gas fixed price contracts representing 3,750 mbtu/day at a cost of $313,000.

During the three and six months ended June 30, 2013, Dundee Energy recognized a gain of $214,000 and a loss of $152,000 respectively (three and six months ended June 30, 2012 – gain of $1,507,000 and $2,767,000 respectively) from changes in the fair value of these risk management contracts.

The prices used to determine the changes in the marked-to-market value of risk management contracts reflect management's best estimate at the measurement date, and considers various factors. However, future market prices will vary from those used in such determination and it is possible that such variations could be material, causing volatility in the Corporation's financial results.

Embedded Derivatives

The Corporation has determined that the redemption option feature of the Corporation's Preference Shares, series 4 meets the definition of an embedded derivative, as the economic risks and characteristics of the redemption option are not closely related to that of the Preference Shares, series 4. Accordingly, the embedded redemption option has been bifurcated from the Preference Shares, series 4 and has been recognized in the consolidated financial statements as a derivative financial instrument. The Corporation has determined that at completion of the Arrangement on May 30, 2013 (note 4), the estimated fair value of the embedded derivative option was $3,780,000 and its estimated fair value on June 30, 2013 was $2,760,000.

Prior to completion of the Arrangement, the Corporation's derivative financial instruments included an embedded redemption option associated with the Corporation's Preference Shares, series 1 with a value of $2,640,000.

During the three and six months ended June 30, 2013, the Corporation recognized a loss on derivative financial instruments of $3,720,000 and $3,300,000 respectively (three months ended June 30, 2012 – gain of $122,000; six months ended June 30, 2012 – loss of $418,000).

Warrants and Options Associated with Investments

Included in the Corporation's portfolio of investments are warrants and/or options, which were acquired directly by the Corporation, or which were received by the Corporation as consideration for the Corporation's investment in the underlying investee. These warrants and/or options are derivative financial assets and are carried in the Corporation's consolidated statements of financial position at their estimated fair value, determined using a modified Black Scholes option pricing model.

8. BROKERAGE SECURITIES OWNED AND BROKERAGE SECURITIES SOLD SHORT

As at		June 30, 2013		December 31, 2012
	Securities Owned	Securities Sold Short	Securities Owned	Securities Sold Short
Bonds	$ 23,940	$ 23,898	$ 22,229	$ 16,897
Equities	88,080	4,013	51,570	392
Other	1,677	-	582	-
	$ 113,697	**$ 27,911**	**$ 74,381**	**$ 17,289**

Bond maturities range from 2013 to 2037 (December 31, 2012 – from 2013 to 2109) and have annual interest yields ranging from 0.75% to 12.00% (December 31, 2012 – 1.00% to 12.00%).

From time to time, Dundee Securities may sell securities that it does not own and will therefore be obligated to purchase such securities at a future date to settle its obligation. These securities have been designated as *"Brokerage Securities sold short"* in these unaudited condensed interim consolidated financial statements. Dundee Securities may incur a loss if the market value of these securities subsequently increases.

9. INVESTMENTS

The Corporation's investments are classified as FVTPL (note 2), except for certain debt securities which are carried at amortized cost.

As at		June 30, 2013		December 31, 2012
	Cost	Market Value	Cost	Market Value
Publicly traded securities	$ 544,001	$ 468,765	$ 763,728	$ 776,770
Private investments	228,745	239,228	224,562	237,902
Mutual funds and other short term investments	66	66	5,753	6,894
Debt securities	184,637	183,520	183,110	184,801
Warrants and options	1,411	1,411	22,145	22,145
	$ 958,860	**$ 892,990**	**$ 1,199,298**	**$ 1,228,512**

Net Gains and Loss on Investments

		For the six months ended June 30, 2013		For the six months ended June 30, 2012
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (4,142)	$ (134,309)	$ (14,806)	$ 11,531
Private investments	183	(28,479)	64	(17,710)
Mutual funds and other short term investments	861	(1,252)	-	173
Debt securities	(1,393)	(4,609)	-	(3,523)
Warrants and options	1	(3,639)	(3)	15,241
	$ (4,490)	**$ (172,288)**	**$ (14,745)**	**$ 5,712**

		For the three months ended June 30, 2013		For the three months ended June 30, 2012
	Realized	Unrealized	Realized	Unrealized
Publicly traded securities	$ (4,434)	$ (86,917)	$ (13,929)	$ (105,724)
Private investments	185	(17,302)	7	(19,807)
Mutual funds and other short term investments	814	(906)	-	(794)
Debt securities	(1,226)	(1,655)	-	(4,867)
Warrants and options	-	(914)	(3)	(7,766)
	$ (4,661)	**$ (107,694)**	**$ (13,925)**	**$ (138,958)**

During the first half of 2013, the Corporation sold certain common shares and preferred shares of The Bank of Nova Scotia ("Scotiabank") for aggregate proceeds of $231,238,000 (six months ended June 30, 2012 – $264,729,000) and recognized a loss on sale of $3,032,000 (six months ended June 30, 2012 – $14,976,000). At June 30, 2013, the Corporation's remaining investment in Scotiabank had a cost of $270,086,000 and a market value of $269,760,000.

10. EQUITY ACCOUNTED INVESTMENTS

As at			June 30, 2013		December 31, 2012
Trade Symbol	Investment	Ownership	Carrying Value	Ownership	Carrying Value
DRM	DREAM Unlimited Corp.	29%	$ 273,904	n/a	n/a
DPM	Dundee Precious Metals Inc.	25%	189,209	23%	136,328
D.UN	Dundee Real Estate Investment Trust	5%	176,610	6%	208,326
DI.UN	Dundee International Real Estate Investment Trust	9%	88,838	18%	106,603
VOX	360 VOX Corporation	18%	4,349	22%	5,378
CRG	Corona Gold Corporation	23%	3,864	23%	4,705
RYG	Ryan Gold Corp.	12%	1,601	12%	2,785
ODX	Odyssey Resources Limited	31%	351	31%	411
-	Escal UGS S.L.	14%	-	14%	-
			$ 738,726		**$ 464,536**

The aggregate market value of the Corporation's equity accounted investments as at June 30, 2013 was $650,355,000 (December 31, 2012 – $620,598,000).

Significant Transactions Affecting the Carrying Value of Equity Accounted Investments During the Six Months Ended June 30, 2013

DREAM Unlimited Corp.

In connection with the distribution of assets to shareholders pursuant to the Arrangement with Dundee Realty (note 4), the Corporation retained 21,636,222 Class A subordinate voting shares of DREAM, which represented a 29% interest in DREAM and a 20% indirect interest in Dundee Realty. The Corporation's initial investment in DREAM was recognized at the estimated fair value of the DREAM Class A subordinate voting shares on May 30, 2013, the effective date of the Arrangement. The Corporation determined that the fair value of a DREAM Class A subordinate voting share on May 30, 2013 was approximately $12.39.

Dundee Precious Metals Inc. ("Dundee Precious")

On May 9, 2013, the shareholders of Dundee Precious approved a warrant incentive program to encourage early exercise of outstanding warrants. Under this incentive program, each whole warrant entitled the holder to purchase one common share of Dundee Precious at a reduced price of $2.85. The Corporation elected to participate in the incentive program and, accordingly, during the second quarter of 2013, the Corporation exercised warrants to acquire 3,561,000 common shares of Dundee Precious for cash consideration of $10,149,000. The estimated fair value of the warrants prior to exercise was $17,698,000 and had been included as a financial instrument at FVTPL in the financial statements. Upon exercise of the warrants, this amount was reclassified as part of the carrying value of Dundee Precious on an equity accounted basis. In addition to the exercise of warrants as outlined above, during the six months ended June 30, 2013, the Corporation acquired 2,424,152 common shares of Dundee Precious in the open market for cash consideration of $17,234,000. At June 30, 2013, the Corporation held 34,720,807 common shares of Dundee Precious, representing a 25% interest.

Dundee Real Estate Investment Trust ("Dundee REIT")

On May 1, 2013, Dundee REIT completed an offering of 6,353,750 units for gross proceeds of $230,006,000. The Corporation did not participate in the offering , and therefore, its interest in Dundee REIT was diluted from 5.9% at March 31, 2013 to 5.5% at May 30, 2013. The Corporation's consolidated investment in Dundee REIT on May 30, 2013 included 1,153,164 units with a carried value of $40,948,000 that were held directly by Dundee Realty. At June 30, 2013, and following completion of the Arrangement with Dundee Realty (note 4), the Corporation retained 4,887,611 units of Dundee REIT representing a 4.5% interest. The Corporation continues to account for its investment in Dundee REIT on an equity basis as it is able to exert significant influence over the operations and financial results of Dundee REIT through its representation on the board of trustees of Dundee REIT, through services arrangements and through senior management representation.

Dundee International Real Estate Investment Trust ("Dundee International REIT")
During the first quarter of 2013, Dundee International REIT completed public offerings for the issuance of 23,230,000 units of Dundee International REIT for gross proceeds of $253,207,000. The Corporation did not participate in the offering, resulting in a dilution of the Corporation's interest from 17.7% at the end of December 2012 to 13.4% as at May 30, 2013 and immediately prior to the Arrangement with Dundee Realty (note 4). The Corporation's consolidated investment in Dundee International REIT on May 30, 2013 included 2,800,000 units with a carried value of $24,204,000 that were held directly by Dundee Realty. Following completion of the Arrangement with Dundee Realty, the Corporation retained 10,000,000 units of Dundee International REIT, representing a 10.4% interest. During June 2013, Dundee International REIT completed a further public offering for the issuance of 13,145,000 units for gross proceeds of $140,700,000, further diluting the Corporation's interest to 9.2% at June 30, 2013. Similar to its investment in Dundee REIT, the Corporation continues to account for its investment in Dundee International REIT on an equity basis as it is able to exert significant influence over the operations and financial results of Dundee International REIT through its representation on the board of trustees of Dundee International REIT, through services arrangements and through senior management representation.

Escal UGS S.L. ("Escal")
Through its investment in Dundee Energy, the Corporation holds an indirect 14.2% interest in the Castor underground gas storage project held by Escal. At June 30, 2013, Escal had established a hedging strategy to mitigate its exposure to interest rate risk associated with its project financing agreement. At June 30, 2013, the estimated fair value of Escal's obligations in respect of these hedging strategies was approximately €107,322,000 (December 31, 2012 – €140,104,000). Recognition of these losses draws Dundee Energy's carrying value in Escal to zero. At June 30, 2013, Dundee Energy had not recorded a liability of $29,830,000 (December 31, 2012 – $38,552,000) related to additional losses incurred by Escal, as it does not have the legal or constructive obligation in respect thereof.

On July 26, 2013, Escal announced that it had arranged for the issuance of euro-denominated senior secured bonds (the "Euro Bonds") totalling €1.40 billion. The Euro Bonds are subject to an annual interest rate of 5.756%, payable semi-annually, and are repayable in equal semi-annual installments over a period of 21 and a half years, with the last payment due in December 2034. The Euro Bonds are listed on the Luxembourg stock exchange. The Euro Bonds were issued by a special purpose vehicle, Watercraft Capital S.A. ("Watercraft"), a Luxembourg corporation. The proceeds from the issuance will be subsequently on-lent to Escal, pursuant to a credit facility between Watercraft and Escal, and will be used by Escal to repay amounts owing pursuant to Escal's existing project financing. Escal will provide a general security interest against its assets for the benefit of Watercraft to secure Escal's obligations under these arrangements, and the shareholders of Escal shall pledge their respective shares in Escal as part of the overall security package. In addition, the European Investment Bank has committed to provide a standby letter of credit as a form of subordinated credit enhancement instrument in support of the Euro Bonds.

Significant Transactions Affecting the Carrying Value of Equity Accounted Investments during the Six Months Ended June 30, 2012

Dundee Real Estate Investment Trust
During the first quarter of 2012, Dundee REIT issued 12,580,347 units for the acquisition of Whiterock Real Estate Investment Trust, representing aggregate equity consideration of $434,800,000. In addition, Dundee REIT issued a further 6,555,000 units pursuant to a public offering for gross proceeds of $231,719,000. The Corporation purchased 364,800 Dundee REIT units pursuant to the public offering at a cost of $12,896,000. On a combined basis, these transactions diluted the Corporation's ownership interest in Dundee REIT from 8% at December 31, 2011 to 6% at June 30, 2012. On June 12, 2012, Dundee REIT issued an additional 10,392,550 units pursuant to a public offering, generating gross proceeds of approximately $373,100,000. The net proceeds from the offering were used to partially fund the acquisition of Scotia Plaza,

in downtown Toronto. The Corporation purchased 390,000 units pursuant to the public offering at a cost of $14,000,000, allowing it to maintain its ownership interest at 6%.

Dundee International Real Estate Investment Trust

On April 17, 2012, Dundee International REIT completed the issuance of 4,600,000 units pursuant to a bought deal financing, generating proceeds of $46,460,000. The issuance of these units diluted the Corporation's ownership interest in Dundee International REIT from 29% at the end of the prior year to 24% at June 30, 2012.

Share of Earnings from Equity Accounted Investments

During the three and six months ended June 30, 2013, the Corporation's share of earnings from equity accounted investments was $18,757,000 and $26,682,000 respectively (three and six months ended June 30, 2012 – $9,202,000 and $17,988,000 respectively).

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
DREAM Unlimited Corp.	$ 6,373	$ -	$ 6,373	$ -
Dundee Precious Metals Inc.	4,132	3,590	4,718	6,665
Dundee Real Estate Investment Trust	5,732	1,803	12,853	6,423
Dundee International Real Estate Investment Trust	2,553	4,085	5,254	5,631
360 VOX Corporation	(13)	(21)	(1,062)	(575)
Corona Gold Corporation	(1)	166	(230)	315
Ryan Gold Corp.	-	(358)	(1,164)	(408)
Odyssey Resources Limited	(19)	(63)	(60)	(63)
Escal UGS S.L.	-	-	-	-
	$ 18,757	**$ 9,202**	**$ 26,682**	**$ 17,988**

11. RESOURCE PROPERTIES

	Property, Plant and Equipment					Exploration and Evaluation	
	Oil and Gas Development Costs	Pipeline Infrastructure	Machinery and Equipment	Land and Buildings	Other	Undeveloped Properties	TOTAL
At December 31, 2011							
Cost	$ 130,470	$ 25,317	$ 25,048	$ 4,580	$ 3,115	$ 16,254	$ 204,784
Accumulated depreciation and depletion	(17,139)	(2,959)	(1,842)	(37)	(817)	-	(22,794)
Net carrying value, December 31, 2011	113,331	22,358	23,206	4,543	2,298	16,254	181,990
Six months ended June 30, 2012							
Carrying value December 31, 2011	113,331	22,358	23,206	4,543	2,298	16,254	181,990
Net additions	927	195	1,566	-	349	4,456	7,493
Remeasure decommissioning liability	1,945	-	-	-	-	-	1,945
Depreciation and depletion	(5,808)	(879)	(668)	(13)	(60)	-	(7,428)
Net carrying value, June 30, 2012	110,395	21,674	24,104	4,530	2,587	20,710	184,000
At June 30, 2012							
Cost	133,342	25,512	26,614	4,580	3,464	20,710	214,222
Accumulated depreciation and depletion	(22,947)	(3,838)	(2,510)	(50)	(877)	-	(30,222)
Net carrying value, June 30, 2012	110,395	21,674	24,104	4,530	2,587	20,710	184,000
From July 1, 2012 to December 31, 2012							
Carrying value June 30, 2012	110,395	21,674	24,104	4,530	2,587	20,710	184,000
Net additions	2,703	91	2,026	-	206	5,288	10,314
Remeasure decommissioning liability	(1,478)	-	-	-	-	-	(1,478)
Depreciation and depletion	(21,467)	(858)	(676)	(13)	(61)	-	(23,075)
Net carrying value, December 31, 2012	90,153	20,907	25,454	4,517	2,732	25,998	169,761
At December 31, 2012							
Cost	134,567	25,603	28,640	4,580	3,670	25,998	223,058
Accumulated depreciation and depletion	(44,414)	(4,696)	(3,186)	(63)	(938)	-	(53,297)
Net carrying value, December 31, 2012	90,153	20,907	25,454	4,517	2,732	25,998	169,761
Six months ended June 30, 2013							
Carrying value December 31, 2012	90,153	20,907	25,454	4,517	2,732	25,998	169,761
Acquisitions (note 5)	-	-	-	-	127,565	-	127,565
Net additions	1,622	202	355	5,288	264	4,075	11,806
Remeasure decommissioning liability	(6,091)	-	-	-	-	-	(6,091)
Depreciation and depletion	(4,528)	(679)	(712)	(58)	(69)	-	(6,046)
Net carrying value, June 30, 2013	81,156	20,430	25,097	9,747	130,492	30,073	296,995
At June 30, 2013							
Cost	130,098	25,805	28,995	9,868	131,499	30,073	356,338
Accumulated depreciation and depletion	(48,942)	(5,375)	(3,898)	(121)	(1,007)	-	(59,343)
Net carrying value, June 30, 2013	$ 81,156	$ 20,430	$ 25,097	$ 9,747	$ 130,492	$ 30,073	$ 296,995

12. LIVESTOCK

	Inventory	Biological Assets	TOTAL
At December 31, 2011			
Acquisitions and net additions	$ 610	$ 4,161	$ 4,771
Fair value changes	-	-	-
Balance, December 31, 2011	610	4,161	4,771
Six months ended June 30, 2012			
Balance, December 31, 2011	610	4,161	4,771
Acquisitions and net additions	2,938	2,236	5,174
Fair value changes	-	1,118	1,118
Balance, June 30, 2012	3,548	7,515	11,063
At June 30, 2012			
Acquisitions and net additions	3,548	6,397	9,945
Fair value changes	-	1,118	1,118
Balance, June 30, 2012	3,548	7,515	11,063
From July 1, 2012 to December 31, 2012			
Balance, June 30, 2012	3,548	7,515	11,063
Acquisitions and net additions	394	3,466	3,860
Fair value changes	-	2,728	2,728
Balance, December 31, 2012	3,942	13,709	17,651
At December 31, 2012			
Acquisitions and net additions	3,942	9,863	13,805
Fair value changes	-	3,846	3,846
Balance, December 31, 2012	3,942	13,709	17,651
Six months ended June 30, 2013			
Balance, December 31, 2012	3,942	13,709	17,651
Net acquisitions and additions (note 5)	645	551	1,196
Fair value changes	-	3,941	3,941
Balance, June 30, 2013	4,587	18,201	22,788
At June 30, 2013			
Acquisitions and net additions	4,587	10,414	15,001
Fair value changes	-	7,787	7,787
Balance, June 30, 2013	$ 4,587	$ 18,201	$ 22,788

13. CAPITAL AND OTHER ASSETS

	Capital Assets				Intangible Assets		
	Furniture and Fixtures	Computer and Network Equipment	Land and Buildings	Other	Trademarks	Other Intangible Assets	TOTAL
At December 31, 2011							
Cost	$ 6,006	$ 4,558	$ 7,910	$ 15,850	$ 13,895	$ 27,082	$ 75,301
Accumulated depreciation and depletion	(4,822)	(4,146)	-	(7,761)	(4,492)	(1,415)	(22,636)
Net carrying value, December 31, 2011	1,184	412	7,910	8,089	9,403	25,667	52,665
Six months ended June 30, 2012							
Carrying value December 31, 2011	1,184	412	7,910	8,089	9,403	25,667	52,665
Net additions (dispositions)	(219)	270	16,262	5,006	217	1,398	22,934
Depreciation and depletion	(138)	(154)	(84)	(1,173)	(466)	(511)	(2,526)
Net carrying value, June 30, 2012	827	528	24,088	11,922	9,154	26,554	73,073
At June 30, 2012							
Cost	5,787	4,828	24,172	20,856	14,112	28,480	98,235
Accumulated depreciation and depletion	(4,960)	(4,300)	(84)	(8,934)	(4,958)	(1,926)	(25,162)
Net carrying value, June 30, 2012	827	528	24,088	11,922	9,154	26,554	73,073
From July 1, 2012 to December 31, 2012							
Carrying value June 30, 2012	827	528	24,088	11,922	9,154	26,554	73,073
Net additions	372	4,231	8,068	9,239	393	6,915	29,218
Depreciation and depletion	(118)	(2,063)	(48)	(1,048)	(477)	(557)	(4,311)
Net carrying value, December 31, 2012	1,081	2,696	32,108	20,113	9,070	32,912	97,980
At December 31, 2012							
Cost	6,159	9,059	32,240	30,095	14,505	35,395	127,453
Accumulated depreciation and depletion	(5,078)	(6,363)	(132)	(9,982)	(5,435)	(2,483)	(29,473)
Net carrying value, December 31, 2012	1,081	2,696	32,108	20,113	9,070	32,912	97,980
Six months ended June 30, 2013							
Carrying value December 31, 2012	1,081	2,696	32,108	20,113	9,070	32,912	97,980
Net acquisitions and additions (note 5)	435	111	42,645	13,868	596	449	58,104
Depreciation and depletion	(192)	(1,144)	(145)	(1,460)	(492)	(1,565)	(4,998)
Net carrying value, June 30, 2013	1,324	1,663	74,608	32,521	9,174	31,796	151,086
At June 30, 2013							
Cost	6,594	9,170	74,885	43,963	15,101	35,844	185,557
Accumulated depreciation and depletion	(5,270)	(7,507)	(277)	(11,442)	(5,927)	(4,048)	(34,471)
Net carrying value, June 30, 2013	$ 1,324	$ 1,663	$ 74,608	$ 32,521	$ 9,174	$ 31,796	$ 151,086

14. CLIENT DEPOSITS AND RELATED LIABILITIES

As at	June 30, 2013	December 31, 2012
Client accounts	$ 739,169	$ 342,968
Brokers' and dealers' balances	29,474	17,241
International banking client accounts	5,604	3,989
	$ 774,247	**$ 364,198**

15. CORPORATE DEBT

At June 30, 2013 and December 31, 2012, the estimated fair value of corporate debt approximated its carrying value.

As at		June 30, 2013		December 31, 2012
Corporate				
$225 million revolving term credit facility due March 10, 2014	$	160,171	$	27,393
$6.5 million, 5.85% exchangeable unsecured subordinated debentures due June 30, 2015		7,035		8,396
Subsidiaries				
$70 million demand revolving credit facility, Dundee Energy		54,629		62,633
$24.8 million advance loan facility, Blue Goose		24,697		75
Other loan facilities, Blue Goose		15,180		992
$190 million revolving term credit facility, Dundee Realty, due November 30, 2013		-		45,000
Other real estate debt		-		188,573
	$	**261,712**	**$**	**333,062**

$225,000,000 – Revolving Term Credit Facility, Corporate

The Corporation has established a $225 million revolving term credit facility with a Canadian Schedule I Chartered Bank maturing on March 10, 2014. Borrowings under the credit facility bear interest at a rate per annum equal to the bank's prime lending rate for loans plus 0.75% or, at the Corporation's option, at the prevailing bankers' acceptance or London Inter-Bank Offer Rate plus 1.75%. Unused amounts available under the facility are subject to an annual standby fee of 0.39375%.

Draws against the revolving term credit facility are contingent on, among other things, the pledge of certain of the Corporation's investments. The facility is subject to certain other covenants, including the maintenance of certain financial ratios and restrictions on the existence of other secured indebtedness, restrictions on the redemption, purchase or repayment of the Corporation's outstanding exchangeable debentures (see below), and restrictions on the prepayment and payment of interest on these exchangeable debentures.

At June 30, 2013, the Corporation had drawn $160,171,000 (December 31, 2012 – $27,393,000) against this facility. During the three and six months ended June 30, 2013, interest expense relating to the Corporation's revolving term credit facility, including standby fees and other similar costs, was $1,507,000 and $2,421,000 respectively (three and six months ended June 30, 2012 – $2,045,000 and $4,108,000 respectively).

$6,490,000, 5.85% Exchangeable Unsecured Subordinated Debentures

At June 30, 2013, the Corporation had 6,490 (December 31, 2012 – 6,749) outstanding exchangeable unsecured subordinated debentures with a par value per debenture of $1,000. The exchangeable debentures mature on June 30, 2015 and bear interest at 5.85% per annum, payable semi-annually on June 30 and December 31 of each year. Each exchangeable debenture may be exchanged, at the option of the holder for 33.6134 units of Dundee REIT, representing a conversion price of $29.75 per Dundee REIT unit.

The Corporation has placed sufficient units of Dundee REIT or other securities exchangeable into units of Dundee REIT into escrow in order to satisfy the exchange feature of the exchangeable debentures. While these securities are held in escrow, the Corporation retains all voting rights and related privileges and is entitled to all distributions and rights of reinvestment of all distributions. During the six months ended June 30, 2013, an aggregate of $259,000 of exchangeable debentures were surrendered for exchange and the Corporation delivered 8,703 units of Dundee REIT in settlement thereof.

The carrying value of the exchangeable debentures is adjusted in the Corporation's consolidated financial statements to reflect the estimated fair value of the embedded exchange feature, provided that such adjustment does not result in a carrying value that is below the principal value of the exchangeable debentures outstanding. The estimated fair value of the exchange feature is determined using a valuation model that recognizes both the debt and exchange feature of the debentures and is based on the premise that each of these components have different default risks. Changes in the estimated fair value of the exchange feature are recorded in net earnings. Based on this valuation model, the Corporation determined that the value of the exchangeable debentures at June 30, 2013 was $7,103,000.

$70,000,000 Demand Revolving Credit Facility, Dundee Energy Limited

Dundee Energy Limited Partnership ("DELP"), a subsidiary of Dundee Energy, has established a $70 million credit facility with a Canadian chartered bank. The credit facility provides the subsidiary with a revolving demand loan, subject to a tiered interest rate structure based on its net debt to cash flow ratio, as defined in the credit facility. Based on current ratios, draws on the credit facility bear interest, at the option of the subsidiary, at either the bank's prime lending rate plus 3.0% for loans or letters of credit, or, for bankers' acceptances, at the bank's then prevailing bankers' acceptance rate plus 4.0%. The subsidiary is also subject to a standby fee of 0.50% on unused amounts under the credit facility. During the three and six months ended June 30, 2013, interest expense relating to this credit facility, including standby fees and other similar costs, was $792,000 and $1,648,000 respectively (three and six months ended June 30, 2012 – $842,000 and $1,673,000 respectively). At June 30, 2013, the subsidiary had drawn $55,100,000 (December 31, 2012 – $66,370,000) pursuant to the credit facility.

The credit facility is secured against all of the oil and natural gas properties owned by DELP. In addition, Dundee Energy has assigned a limited recourse guarantee of its units in the subsidiary as further security pursuant to the credit facility. The credit facility is subject to certain covenants, including the maintenance of minimum levels of working capital.

Subsequent to June 30, 2013, the interest rate structure of DELP's credit facility was amended, increasing the interest rate to the bank's prime lending rate plus 3.5% for loans or letters of credit, or, for bankers' acceptances, to the bank's then prevailing bankers' acceptance rate plus 4.5%. The amended agreement provides for a standby fee of 0.55% on unused amounts under the credit facility. There were no other material changes to the terms of the credit facility as a result of the amendment.

$24,750,000 Advance Loan Facility, Blue Goose Capital Corp.

Blue Goose has entered into a $14.8 million advance loan facility, maturing on July 1, 2017, and a real estate loan for $10.0 million maturing on May 1, 2018, with a Canadian financial institution and leading lender to the agriculture industry. At June 30, 2013, Blue Goose had drawn $24,697,000 (December 31, 2012 – $75,000) pursuant to these arrangements.

Amounts borrowed pursuant to the advance loan facility are subject to variable interest rates with a weighted average rate of 4.10% during the six months ended June 30, 2013. The advance loan facility is secured by a first charge mortgage against various real estate assets held by Blue Goose and by certain wholly-owned subsidiaries of Blue Goose, some of which have also provided guarantees in respect of amounts borrowed pursuant to the facility. During the three and six months ended June 30, 2013, interest expense incurred in respect of this credit facility was $92,000 and $94,000 respectively (three and six months ended June 30, 2012 – $49,000).

The real property loan is secured by ranch property in western Canada and is subject to a fixed interest rate of 3.05% per annum.

Other Loan Facilities, Blue Goose Capital Corp.

Certain wholly-owned subsidiaries of Blue Goose have entered into demand revolving credit facilities in the aggregate amount of $17,200,000 with certain Canadian chartered banks. Borrowings under these arrangements bear interest at a rate per annum ranging from the bank's prime lending rate for loans plus 0.50% to 1.3%. The facilities are secured by a general security agreement against all of the assets of the subsidiaries and are guaranteed by Blue Goose. At June 30, 2013, an aggregate of $15,180,000 (December 31, 2012 – $992,000) had been drawn against these facilities. During the three and six months ended June 30, 2013, interest expense incurred in respect of these facilities was $89,000 and $113,000 respectively (three and six months ended June 30, 2012 – $8,000).

Call Loan Arrangements

From time to time, Dundee Securities may utilize call loan arrangements to facilitate the securities settlement process for both client and principal securities transactions, or to fund margin lending. In connection with the establishment of an introducing and carrying broker arrangement with a third-party service provider on January 1, 2012, Dundee Securities arranged for an uncommitted call loan facility for up to $125 million at June 30, 2013 (December 31, 2012 – $75 million).

At June 30, 2013, there were no amounts drawn (December 31, 2012 – $nil) pursuant to these arrangements. Interest rates on amounts drawn during the six months ended June 30, 2013, were 1.50% on Canadian dollar denominated borrowings and ranged from 0.45% to 1.00% on borrowings denominated in U.S. dollars.

16. DECOMMISSIONING LIABILITIES

	As at and for the six months ended June 30, 2013	As at and for the year ended December 31, 2012
Discount rates applied to future obligations	*1.25% - 2.90%*	*1.13% - 2.27%*
Inflation rate	*2.00%*	*2.00%*
Discounted future obligations, beginning of period	$ 44,739	$ 45,234
Effect of changes in estimates and remeasurement of discount and foreign exchange rates	(6,059)	562
Liabilities settled (reclamation expenditures)	(625)	(2,000)
Accretion (interest expense)	452	943
Discounted future obligations, end of period	$ 38,507	$ 44,739

17. PREFERENCE SHARES

Except as discussed below in respect of the Corporation's Preference Shares, series 4, the terms of the Corporation's preference shares are summarized in note 19 to the Corporation's 2012 Audited Consolidated Financial Statements.

Issued and Outstanding First Preference Shares, Series 1

	Number of Shares	Par Value	Issue Costs	Premium	Carrying Value
Balance as at December 31, 2011	6,000,000	$ 150,000	$ (2,134)	$ 557	$ 148,423
Amortization for the six months ended June 30, 2012	-	-	237	(62)	175
Balance as at June 30, 2012	6,000,000	150,000	(1,897)	495	148,598
Amortization for the period from July 1, 2012 to December 31, 2012	-	-	237	(62)	175
Balance as at December 31, 2012	6,000,000	150,000	(1,660)	433	148,773
Amortization for the six months ended June 30, 2013	-	-	198	(52)	146
Distribution of assets (note 4)	(6,000,000)	(150,000)	1,462	(381)	(148,919)
Balance as at June 30, 2013	-	$ -	$ -	$ -	$ -

Issued and Outstanding First Preference Shares, Series 2

	Number of Shares	Par Value	Issue Costs	Carrying Value
Balance as at June 30, 2013 and December 31, 2012	5,200,000	$ 130,000	$ (2,932)	$ 127,068

Issued and Outstanding First Preference Shares, Series 4

	Number of Shares		Par Value		Issue Costs		Premium		Carrying Value
Balance as at December 31, 2012	-	$	-	$	-	$	-	$	-
Issued pursuant to Arrangement (note 4)	6,000,000		107,040		(1,043)		272		106,269
Amortization for the six months ended June 30, 2013	-		-		28		(7)		21
Balance as at June 30, 2013	6,000,000	$	107,040	$	(1,015)	$	265	$	106,290

On May 30, 2013, and under the terms of the Arrangement with Dundee Realty (note 4), the Corporation issued 6,000,000 5.00% cumulative redeemable first preference shares with a face value of $17.84 per share. The Preference Shares, series 4 rank on a parity with the Preference Shares, series 2 and series 3 and in priority to the Subordinate Shares and the Class B Shares of the Corporation as to the payment of dividends and the distribution of assets on dissolution, liquidation or winding-up of the Corporation. The Preference Shares, series 4 entitle the holder to a fixed preferential cumulative dividend at the rate of 5.00% per annum, payable quarterly. The Preference Shares, series 4 are generally non-voting, except in limited circumstances.

The Preference Shares, series 4 will be redeemable, at the Corporation's option, at any time on or after June 30, 2013 and prior to June 30, 2014 at $18.20 per share, at any time on or after June 30, 2014 and prior to June 30, 2015 at $18.02 per share, and at any time on or after June 30, 2015 at $17.84 per share. In addition, the Corporation's Preference Shares, series 4 will be redeemable, at the option of the holder, at any time on or after June 30, 2016 at $17.84 per share.

18. SHARE CAPITAL

The terms of the Corporation's Subordinate Shares and Class B Shares, and significant transactions in respect thereof during the year ended December 31, 2012, are summarized in note 20 to the Corporation's 2012 Audited Consolidated Financial Statements.

Issued and Outstanding

	SUBORDINATE SHARES		CLASS B SHARES		TOTAL	
	Number	Amount	Number	Amount	Number	Amount
Outstanding December 31, 2011	51,736,024	$ 202,414	3,116,837	$ 8,159	54,852,861	$ 210,573
Transactions during the six months ended June 30, 2012						
Issuance of shares under the share incentive plan	2,949	70	-	-	2,949	70
Options exercised	112,000	634	-	-	112,000	634
Conversion from Class B Shares to Subordinate Shares	462	1	(462)	(1)	-	-
Outstanding June 30, 2012	**51,851,435**	**203,119**	**3,116,375**	**8,158**	**54,967,810**	**211,277**
Transactions during the period from July 1, 2012 to December 31, 2012						
Redeemed pursuant to normal course issuer bid	(912,900)	(3,646)	-	-	(912,900)	(3,646)
Issuance of shares under the share incentive plan	2,901	70	-	-	2,901	70
Options exercised	5,000	67	-	-	5,000	67
Conversion from Class B Shares to Subordinate Shares	42	-	(42)	-	-	-
Outstanding December 31, 2012	**50,946,478**	**199,610**	**3,116,333**	**8,158**	**54,062,811**	**207,768**
Transactions during the six months ended June 30, 2013						
Issuance of shares under the share incentive plan	2,302	70	-	-	2,302	70
Options exercised	30,000	407	-	-	30,000	407
Shares cancelled pursuant to the dissenting rights	(74)	-	-	-	(74)	-
Conversion from Class B Shares to Subordinate Shares	7	-	(7)	-	-	-
Outstanding June 30, 2013	**50,978,713**	**$ 200,087**	**3,116,326**	**$ 8,158**	**54,095,039**	**$ 208,245**

Normal Course Issuer Bid

On March 28, 2013, the Corporation announced that it had received regulatory approval for the renewal of its normal course issuer bid from April 1, 2013 to March 31, 2014. Subject to certain conditions, the Corporation may purchase up to a maximum of 2,704,138 Subordinate Shares pursuant to these arrangements, representing approximately 10% of its public float at the time approval for the normal course issuer bid was granted.

Share Purchase Plan

As part of its share incentive arrangements, the Corporation established a share purchase plan pursuant to which eligible participants may contribute up to a specified maximum amount of their basic annual salary towards the purchase of Subordinate Shares of the Corporation, either from treasury or in the open market, at the discretion of the Corporation. Compensation expense associated with the share purchase plan during the three and six months ended June 30, 2013 was $196,000 and $377,000 respectively (three and six months ended June 30, 2012 – $158,000 and $303,000 respectively).

During the six months ended June 30, 2013, the Corporation issued 2,302 (six months ended June 30, 2012 – 2,949) Subordinate Shares from treasury pursuant to the share purchase plan, with the balance of the amounts contributed to the share purchase plan being used to purchase shares in the open market.

19. ACCUMULATED OTHER COMPREHENSIVE LOSS

	Available-for-Sale Securities	Equity Accounted Investments	Foreign Currency Translation	Non-controlling Interest	Discontinued Operations	Total
Balance at December 31, 2011	$ (64,895)	$ (4,008)	$ -	$ 2,199	$ (440)	$ (67,144)
Implementation of IFRS 9 (note 2)	64,895	-	-	-	-	64,895
Balance at January 1, 2012	-	(4,008)	-	2,199	(440)	(2,249)
Transactions during the six months ended June 30, 2012						
Other comprehensive income	-	(6,867)	8	(14)	(572)	(7,445)
Balance at June 30, 2012	-	(10,875)	8	2,185	(1,012)	(9,694)
Transactions during the period from July 1, 2012 to December 31, 2012						
Other comprehensive income	-	1,420	-	-	325	1,745
Balance at December 31, 2012	-	(9,455)	8	2,185	(687)	(7,949)
Transactions during the six months ended June 30, 2013						
Other comprehensive income	-	4,645	536	(82)	1,095	6,194
Distribution of assets (note 4)	-	-	-	-	(408)	(408)
Balance at June 30, 2013	**$ -**	**$ (4,810)**	**$ 544**	**$ 2,103**	**$ -**	**$ (2,163)**

20. NON-CONTROLLING INTEREST

As at	June 30, 2013	December 31, 2012
Non-controlling interest in:		
Dundee Energy Limited	$ 26,762	$ 24,834
Blue Goose Capital Corp.	14,375	9,641
United Hydrocarbon International Corp.	62,334	-
Other	8,933	4,152
	112,404	38,627
Non-controlling interest in discontinued operations (note 4)	-	108,537
	$ 112,404	**$ 147,164**

21. REVENUES

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Management fees	$ 3,416	$ 4,429	$ 7,219	$ 9,361
Financial services	10,247	18,351	24,872	50,905
Oil and gas, net of royalties	8,245	7,543	15,604	15,617
Agriculture	10,979	1,931	13,481	3,132
Interest and dividends	15,146	14,836	28,680	29,083
	$ 48,033	**$ 47,090**	**$ 89,856**	**$ 108,098**

22. COST OF SALES

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Variable compensation	$ 6,302	$ 11,726	$ 14,998	$ 29,575
Oil and gas expenses	3,547	3,135	6,395	6,180
Agriculture expenses	14,061	1,114	18,879	2,764
	$ 23,910	**$ 15,975**	**$ 40,272**	**$ 38,519**

23. SHARE INCENTIVE PLAN ARRANGEMENTS

The terms of the Corporation's share based compensation plans are summarized in note 25 to the Corporation's 2012 Audited Consolidated Financial Statements.

Effect of Arrangement with Dundee Realty to Share Based Compensation Plans

Under the terms of the Arrangement with Dundee Realty (note 4), each outstanding stock option issued under the Corporation's stock option plan was adjusted such that the holder is entitled, upon exercise thereof, to receive for each such option held (i) one Subordinate Share of the Corporation; and (ii) the market price of one DREAM Class A subordinate voting share.

Holders of the Corporation's deferred share units ("DSUs") received additional DSUs, representing the fair value equivalent of the amounts distributed to holders of the Corporation's Subordinate Shares pursuant to the Arrangement. Each such additional DSU issued entitled the holder thereof to the market price of one DREAM Class A subordinate voting share.

The Corporation has determined that stock options and DSUs that track the underlying market price of the DREAM Class A subordinate voting shares as outlined above represents an obligation of the Corporation, as settlement will occur in cash and/or in a variable number of Subordinate Shares of the Corporation. Accordingly, these obligations are marked-to-market to reflect the market price of a DREAM Class A subordinate voting share on the dates of the statements of financial position and are included in *"accounts payable and accrued liabilities"*.

Stock Based Compensation

The Corporation's stock based compensation amounts, before similar amounts associated with the Corporation's subsidiaries, are as illustrated below.

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Share option plan	$ 286	$ 260	$ 542	$ 535
Deferred share unit plan	199	381	373	662
DREAM tracking share incentive arrangements:				
Stock options	(1,657)	-	(1,657)	-
Deferred share units	(1,811)	-	(1,811)	-
	$ (2,983)	**$ 641**	**$ (2,553)**	**$ 1,197**

Share Option Plan

There were no share option awards granted in the six months ended June 30, 2013 and the year ended December 31, 2012. A summary of the status of the Corporation's share option plan as at June 30, 2013 and December 31, 2012, and the changes during the periods then ended, are as follows:

	Six months ended June 30, 2013		Year ended December 31, 2012	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	1,285,000	$9.40	1,402,000	$9.09
Exercised	(30,000)	$9.49	(117,000)	$5.58
Outstanding, end of period	**1,255,000**	**$9.40**	**1,285,000**	**$9.40**
Exercisable options	729,000	$9.40	759,000	$9.40

Exercise Price	Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Options Exercisable
Options issued with an exercise price of $9.40	1,245,000	1.62	729,000
Options issued with an exercise price of $9.67	10,000	1.62	-

Deferred Share Unit Plan

During the six months ended June 30, 2013, the Corporation issued 4,999 DSUs. At June 30, 2013, there were 1,229,643 (December 31, 2012 – 1,224,644) DSUs outstanding. In addition, and pursuant to the Arrangement with Dundee Realty, the Corporation issued 1,371,943 DSUs that track the value of a DREAM Class A subordinate voting share.

Share Option Plan of Dundee Energy

Dundee Energy has established a share incentive plan for its directors, officers and employees. As at June 30, 2013, Dundee Energy had 3,715,000 (December 31, 2012 – 3,815,000) share options outstanding at a weighted average exercise price of $0.77 (December 31, 2012 – $0.77), of which 3,581,666 (December 31, 2012 – 3,548,332) share options were exercisable at June 30, 2013. Dundee Energy also has a deferred share unit plan pursuant to which, at June 30, 2013, there were 1,039,358 (December 31, 2012 – 945,310) DSUs outstanding.

During the three and six months ended June 30, 2013, Dundee Energy recognized compensation expense of $42,000 and $92,000 respectively (three and six months ended June 30, 2012 – $160,000 and $266,000 respectively) relating to its share option arrangements and deferred share unit arrangements.

Stock Based Compensation of Other Subsidiaries

From time to time, other subsidiaries of the Corporation may incur stock based compensation expense pursuant to their respective share incentive plan arrangements. During the three and six months ended June 30, 2013, these subsidiaries incurred stock based compensation expense of $31,000 and $79,000 respectively (three and six months ended June 30, 2012 – $65,000 and $238,000 respectively).

24. GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Salary and salary-related	$ 11,315	$ 18,617	$ 23,851	$ 30,450
Corporate and professional fees	6,513	6,209	12,634	13,867
General office	9,739	9,120	18,500	16,332
Capitalized expenditures	(639)	(466)	(893)	(657)
Expense recoveries	(765)	(619)	(1,140)	(1,017)
Other	973	861	1,865	1,807
	$ 27,136	$ 33,722	$ 54,817	$ 60,782

25. INCOME TAXES

The income tax (recovery) expense amount on pre-tax earnings from continuing operations differs from the income tax (recovery) expense amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26% (June 30, 2012 – 26%), as a result of the following items:

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Losses before tax at statutory rate of 26% (2012 – 26%)	$ (27,682)	$ (41,438)	$ (44,988)	$ (1,092)
Effect on taxes of:				
Non-deductible expenses	5,462	2,866	6,480	4,524
Non-taxable revenue	(2,391)	4,315	(5,505)	(12,248)
Change in substantively enacted income tax rates	-	6,932	-	6,932
Remeasurement of deferred income taxes	(28)	1,011	(92)	(144)
Net income tax not previously recognized	230	452	230	482
Net Part IV tax (refund)	(9,556)	1,598	(8,841)	3,953
Change in unrecognized temporary differences	1,366	354	2,340	944
Other differences	544	134	836	334
Income tax (recovery) expense	**$ (32,055)**	**$ (23,776)**	**$ (49,540)**	**$ 3,685**

Significant components of the Corporation’s deferred income tax assets and liabilities are as follows:

As at	June 30, 2013	December 31, 2012
Deferred income tax assets		
Loss carry forwards	$ 8,075	$ 10,043
Capital and other assets	1,556	1,384
Non-deductible reserves	1,441	1,421
Accrued liabilities	3,047	3,235
Other	17,505	16,024
Total deferred income tax assets	31,624	32,107
Deferred income tax liabilities		
Investments including equity accounted investments	(98,747)	(105,072)
Real estate assets	-	(58,679)
Other	(10,992)	(21,594)
Total deferred income tax liabilities	(109,739)	(185,345)
Net deferred income tax liabilities	**$ (78,115)**	**$ (153,238)**

A deferred income tax asset is only recognized when management believes it is more likely than not that the benefit will be recognized.

At June 30, 2013, the Corporation had operating loss carry forwards of $58,307,000 (December 31, 2012 – $52,199,000). Operating loss carry forwards by year of expiry are summarized below.

Year of Expiry:	Recognized	Unrecognized	Total
2014	$ -	$ 9	$ 9
2015	-	40	40
Thereafter	30,471	27,787	58,258
	$ 30,471	$ 27,836	$ 58,307

26. NET EARNINGS PER SHARE

	For the three months ended		For the six months ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
Net earnings attributable to owners of the parent	$ 541,612	$ (111,758)	$ 510,819	$ 24,887
Less: dividends on Preference Shares, series 2	(2,194)	(2,194)	(4,388)	(4,388)
	$ 539,418	$ (113,952)	$ 506,431	$ 20,499
Represented by:				
Continuing operations	$ (71,479)	$ (135,819)	$ (120,278)	$ (11,049)
Discontinued operations	610,897	21,867	626,709	31,548
Weighted average number of shares outstanding during the period	54,087,437	54,966,947	54,075,421	54,948,215
Basic and diluted earnings per share				
Continuing operations	$ (1.32)	$ (2.47)	$ (2.22)	$ (0.20)
Discontinued operations	11.29	0.40	11.59	0.58
	$ 9.97	$ (2.07)	$ 9.37	$ 0.38

27. SUPPLEMENTAL CASH FLOW INFORMATION

Items not affecting Cash and Other Adjustments

For the six months ended	June 30, 2013	June 30, 2012
Loss on sale of equity accounted investment	$ 35	$ 161
Distributions from equity accounted investments	9,432	8,948
Depreciation and depletion	10,281	9,828
Net loss from investments	176,778	9,033
Share of earnings from equity accounted investments	(26,682)	(17,988)
Fair value changes in livestock	(3,941)	(1,118)
Deferred income taxes	(35,540)	(4,961)
Stock based compensation	(2,382)	1,701
Other	(1,341)	389
	$ 126,640	**$ 5,993**

Changes in Non-Cash Working Capital Items

For the six months ended		June 30, 2013		June 30, 2012
Accounts receivable	$	15,493	$	(13,056)
Accounts payable and accrued liabilities		(742)		62,599
Current income tax amounts		(61,915)		(1,172)
Brokerage securities owned and sold short, net		(28,694)		(65,559)
Client accounts receivable, net of client deposits and related liabilities		14,814		(14,153)
Agricultural working capital		2,873		(330)
	$	**(58,171)**	**$**	**(31,671)**

28. FINANCIAL INSTRUMENTS

The following table provides information about financial assets and liabilities measured at market value in the Corporation's statement of financial position and categorized by level according to the significance of the inputs used in making the measurements:

		As at June 30, 2013		Quoted prices in active markets for identical assets (Level 1)		Significant other observable inputs (Level 2)		Significant unobservable inputs (Level 3)
Financial Assets								
Brokerage securities owned	$	113,697	$	88,080	$	25,617	$	-
Investments								
Debt securities		183,520		45,998		137,522		-
Equity securities in public entities		468,765		468,765		-		-
Equity securities in private entities		239,228		-		239,228		-
Equity securities in short-term investments and mutual funds		66		66		-		-
Warrants		1,411		767		644		-
Other derivative financial assets		2,824		-		2,824		-
Financial Liabilities								
Brokerage securities sold short		(27,911)		(4,013)		(23,898)		-

The Corporation used the following techniques to value financial instruments categorized in Level 2:

- Included in brokerage securities owned and brokerage securities sold short are certain bonds which have been classified as Level 2. The estimated marked-to-market value of bonds was determined by obtaining quotes from third-parties for similar instruments.
- The Corporation's portfolio of investments includes equities in private entities, many of which are in the start up phase. The Corporation carries these investments at their original cost unless there is observable evidence, by way of a subsequent private placement or a "grey market trade" of a change to the underlying market value of the investment.
- The estimated fair value of warrants is determined using a modified Black Scholes option pricing model.
- Other derivative financial assets are calculated using a discounted cash flow model based on observable commodity prices or interest yield curves, as appropriate.

A detailed description of the Corporation's financial assets and financial liabilities and its associated risk management in respect thereof are provided in note 31 to the 2012 Audited Consolidated Financial Statements. There have been no significant changes in the business and economic circumstances and the related financial risks that affect the Corporation's financial assets and financial liabilities since December 31, 2012.

29. CAPITAL MANAGEMENT

The Corporation defines the capital that it manages as the aggregate of its shareholders' equity and interest bearing debt, including outstanding preference shares. The following table summarizes the carrying value of the Corporation's capital as at June 30, 2013 and December 31, 2012.

As at		June 30, 2013		December 31, 2012
Shareholders' equity	$	1,702,316	$	1,867,985
Corporate debt		261,712		333,062
Preference Shares, series 1		-		148,773
Preference Shares, series 4		106,290		-
	$	**2,070,318**	**$**	**2,349,820**

The Corporation's objectives when managing capital include (i) ensuring that the Corporation and all of its regulated entities meet relevant regulatory capital requirements; (ii) ensuring that the Corporation is able to meet its financial obligations as they become due, whilst ensuring compliance with all applicable debt covenants; (iii) ensuring that the Corporation has sufficient capital to manage business activities in each of its operating segments; (iv) ensuring that the Corporation has sufficient capital available to benefit from acquisition opportunities, should they arise; and (v) ensuring adequate returns for shareholders. The Corporation regularly assesses its capital management practices in response to changing economic conditions.

Certain of the Corporation's subsidiaries are subject to regulatory capital requirements. Compliance with these requirements requires that the subsidiaries maintain sufficient cash and other liquid assets on hand to maintain regulatory capital requirements, rather than using these liquid assets in connection with its business or otherwise. As at June 30, 2013 and December 31, 2012, the Corporation and its subsidiaries complied with all regulatory capital requirements and all debt covenants.

30. COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

A description of the Corporation's commitments, contingencies and off-balance sheet arrangements is provided in note 33 to the Corporation's 2012 Audited Consolidated Financial Statements. The following provides a summary of material changes to these items as at June 30, 2013.

Legal Contingencies

As part of a business reorganization completed in 2011, Dundee Capital Markets, the parent company of Dundee Securities, agreed to provide an indemnity with respect to certain claims. In 2011, Sino-Forest Corporation ("Sino-Forest") was delisted from the TSX, following allegations of securities violations. One of the parties indemnified by Dundee Capital Markets participated in underwriting syndicates in respect of several public equity offerings by Sino-Forest. The indemnified party is a defendant in at least one lawsuit brought by shareholders of Sino-Forest, alleging securities law and other violations. Sino-Forest received an order for creditor protection in March 2012 and its Companies' Creditors Arrangement Act plan was implemented in January 2013 and was recognized by the U.S. Bankruptcy Court under Chapter 11 of the U.S. Bankruptcy Code in March 2013. In April 2012, Sino-Forest and certain of its current and former executives received enforcement notices from the Ontario Securities Commission and the regulator commenced formal proceedings against them alleging fraud and securities law violations in May 2012. Dundee Capital Markets cannot reliably estimate the timing and quantification of any exposure it may have as a result of the Sino-Forest underwritings.

The Corporation is also a defendant in various other legal actions. The defenses to these claims and the quantification of damages are yet to be determined and the amount of the loss, if any, cannot be determined at this time. The Corporation intends to vigorously defend itself against all legal claims. Although the ultimate outcome of these matters cannot be ascertained at this time and the results of legal proceedings cannot be predicted with certainty, it is the opinion of management, based on information currently available, that these are not material liabilities, adequate provisions have been made for any liabilities and the resolution of these matters will not have a material adverse effect on the consolidated financial position of the Corporation.

31. RELATED PARTY TRANSACTIONS

There have been no significant changes in the nature and scope of related party transactions to those described in note 34 to the Corporation's 2012 Audited Consolidated Financial Statements.

32. SEGMENTED INFORMATION

The Corporation's reportable business segments are organized in a manner that reflects how management views those business activities. The tabular information that follows shows data of reportable segments reconciled to amounts reflected in the June 2013 Interim Consolidated Financial Statements.

Business Entity	*Business Activity*
Corporate and Other Portfolio Holdings	Investments in public and private equity and debt securities in diversified industry segments
Dundee Energy Limited	58%-owned publicly listed subsidiary in the oil and gas industry with operations in southern Ontario and Spain
Eurogas International Inc.	53%-owned publicly listed subsidiary engaged in oil and gas exploration in Tunisia
Nichromet Extraction Inc.	76%-owned private subsidiary developing patented sustainable precious and base metals extraction processes
United Hydrocarbon International Corp.	28%-owned private subsidiary engaged in oil and gas exploration, development and production activities in the Republic of Chad
Blue Goose Capital Corp.	83%-owned private subsidiary operating in organic and natural protein production markets for beef, chicken and fish
Goodman & Company, Investment Counsel Inc.	100%-owned private subsidiary registered as a portfolio manager and exempt market dealer across Canada and an investment fund manager in Ontario, Quebec and Newfoundland
Dundee Securities Ltd.	100%-owned private subsidiary and a full-service Canadian investment dealer registered with the Investment Industry Regulatory Organization of Canada

Segmented operations for the six months ended June 30, 2013

		Revenue		Cost of Sales		Other Amounts in Earnings		Earnings from Continuing		Earnings from Discontinued		Net Earnings
Corporate and other portfolio holdings	$	25,091	$	-	$	(173,043)	$	(147,952)	$	-	$	(147,952)
Resource industry												
Dundee Energy Limited		15,715		(6,395)		(10,974)		(1,654)		-		(1,654)
Eurogas International Inc.		-		-		(430)		(430)		-		(430)
Nichromet Extraction Inc.		2		-		(1,782)		(1,780)		-		(1,780)
Agriculture industry												
Blue Goose Capital Corp.		13,481		(18,879)		(854)		(6,252)		-		(6,252)
Asset management and capital markets												
Goodman & Company, Investment Counsel Inc.		2,386		-		(3,763)		(1,377)		-		(1,377)
Dundee Securities Ltd.		37,114		(14,998)		(32,434)		(10,318)		-		(10,318)
Intersegment		(3,933)		-		3,933		-		-		-
	$	89,856	$	(40,272)	$	(219,347)		(169,763)		-		(169,763)
Income taxes								49,540		-		49,540
Earnings from discontinued operation, net of taxes								-		37,323		37,323
Gain on distribution of assets, net of taxes								-		599,446		599,446
Non-controlling interest								4,333		(10,060)		(5,727)
NET EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION							$	(115,890)	$	626,709	$	510,819

Segmented operations for the six months ended June 30, 2012

		Revenue		Cost of Sales		Other Amounts in Earnings		Earnings from Continuing		Earnings from Discontinued		Net Earnings
Corporate and other portfolio holdings	$	25,723	$	-	$	(22,614)	$	3,109	$	-	$	3,109
Resource industry												
Dundee Energy Limited		15,676		(6,180)		(10,460)		(964)		-		(964)
Eurogas International Inc.		-		-		(439)		(439)		-		(439)
Nichromet Extraction Inc.		4		-		(1,703)		(1,699)		-		(1,699)
Agriculture industry												
Blue Goose Capital Corp.		4,365		(2,764)		(2,074)		(473)		-		(473)
Asset management and capital markets												
Goodman & Company, Investment Counsel Inc.		1,866		-		(3,393)		(1,527)		-		(1,527)
Dundee Securities Ltd.		61,259		(29,575)		(33,812)		(2,128)		-		(2,128)
Intersegment		(795)		-		795		-		-		-
	$	108,098	$	(38,519)	$	(73,700)		(4,121)		-		(4,121)
Income taxes								(3,685)		-		(3,685)
Earnings from discontinued operation, net of taxes								-		44,090		44,090
Non-controlling interest								1,145		(12,542)		(11,397)
NET EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION							$	(6,661)	$	31,548	$	24,887

Segmented operations for the three months ended June 30, 2013

	Revenue	Cost of Sales	Other Amounts in Earnings	Earnings from Continuing	Earnings from Discontinued	Net Earnings
Corporate and other portfolio holdings	$ 13,342	$ -	$ (106,138)	$ (92,796)	$ -	$ (92,796)
Resource industry						
Dundee Energy Limited	8,287	(3,547)	(4,958)	(218)	-	(218)
Eurogas International Inc.	-	-	(234)	(234)	-	(234)
Nichromet Extraction Inc.	1	-	(787)	(786)	-	(786)
Agriculture industry						
Blue Goose Capital Corp.	10,979	(14,061)	(786)	(3,868)	-	(3,868)
Asset management and capital markets						
Goodman & Company, Investment Counsel Inc.	1,071	-	(1,511)	(440)	-	(440)
Dundee Securities Ltd.	16,476	(6,302)	(16,289)	(6,115)	-	(6,115)
Intersegment	(2,123)	-	2,123	-	-	-
	$ 48,033	$ (23,910)	$ (128,580)	(104,457)	-	(104,457)
Income taxes				32,055	-	32,055
Earnings from discontinued operation, net of taxes				-	15,201	15,201
Gain on distribution of assets, net of taxes				-	599,446	599,446
Non-controlling interest				3,117	(3,750)	(633)
NET EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				$ (69,285)	$ 610,897	$ 541,612

Segmented operations for the three months ended June 30, 2012

	Revenue	Cost of Sales	Other Amounts in Earnings	Earnings from Continuing	Earnings from Discontinued	Net Earnings
Corporate and other portfolio holdings	$ 12,198	$ -	$ (161,893)	$ (149,695)	$ -	$ (149,695)
Resource industry						
Dundee Energy Limited	7,565	(3,135)	(4,871)	(441)	-	(441)
Eurogas International Inc.	-	-	(184)	(184)	-	(184)
Nichromet Extraction Inc.	-	-	(780)	(780)	-	(780)
Agriculture industry						
Blue Goose Capital Corp.	3,164	(1,114)	(1,807)	243	-	243
Asset management and capital markets						
Goodman & Company, Investment Counsel Inc.	834	-	(1,901)	(1,067)	-	(1,067)
Dundee Securities Ltd.	23,722	(11,726)	(17,889)	(5,893)	-	(5,893)
Intersegment	(393)	-	393	-	-	-
	$ 47,090	$ (15,975)	$ (188,932)	(157,817)	-	(157,817)
Income taxes				23,776	-	23,776
Earnings from discontinued operation, net of taxes				-	30,602	30,602
Non-controlling interest				416	(8,735)	(8,319)
NET EARNINGS ATTRIBUTABLE TO OWNERS OF DUNDEE CORPORATION				$ (133,625)	$ 21,867	$ (111,758)

Segmented net assets as at June 30, 2013

	ASSETS				LIABILITIES			
	Cash	Investments	Other Assets	TOTAL	Corporate Debt	Deferred Income Taxes	Other Liabilities	TOTAL
Corporate and other portfolio holdings	$ 9,349	$ 1,631,716	$ 230,035	$ 1,871,100	$ (167,206)	$ (93,325)	$ (160,555)	$ (421,086)
Resource industry								
Dundee Energy Limited	445	-	154,861	155,306	(54,629)	9,278	(43,458)	(88,809)
Eurogas International Inc.	3	-	11,264	11,267	-	-	(683)	(683)
Nichromet Extraction Inc.	989	-	7,397	8,386	-	-	(271)	(271)
United Hydrocarbon International Corp.	9,350	-	129,472	138,822	-	-	(2,657)	(2,657)
Agriculture industry								
Blue Goose Capital Corp.	-	-	132,554	132,554	(39,877)	-	(9,056)	(48,933)
Asset management and capital markets								
Goodman & Company, Investment Counsel Inc.	-	-	19,248	19,248	-	1,524	(3,519)	(1,995)
Dundee Securities Ltd.	39,456	-	860,810	900,266	-	4,408	(862,203)	(857,795)
TOTAL	$ 59,592	$ 1,631,716	$ 1,545,641	$ 3,236,949	$ (261,712)	$ (78,115)	$ (1,082,402)	$ (1,422,229)

Segmented net assets as at December 31, 2012

	ASSETS				LIABILITIES			
	Cash	Investments	Other Assets	TOTAL	Corporate Debt	Deferred Income Taxes	Other Liabilities	TOTAL
Corporate and other portfolio holdings	$ 10,392	$ 1,698,615	$ 20,440	$ 1,729,447	$ (35,789)	$ (99,872)	$ (167,685)	$ (303,346)
Discontinued operations								
Dundee Realty Corporation	8,487	59,637	816,874	884,998	(233,573)	(67,669)	(168,027)	(469,269)
Resource industry								
Dundee Energy Limited	125	-	160,204	160,329	(62,633)	9,276	(49,283)	(102,640)
Eurogas International Inc.	8	-	10,373	10,381	-	-	(140)	(140)
Nichromet Extraction Inc.	1,377	-	7,198	8,575	-	-	(216)	(216)
Agriculture industry								
Blue Goose Capital Corp.	-	-	62,204	62,204	(1,067)	-	(3,535)	(4,602)
Asset management and capital markets								
Goodman & Company, Investment Counsel Inc.	-	-	1,166	1,166	-	854	(3,812)	(2,958)
Dundee Securities Ltd.	21,435	-	459,763	481,198	-	4,173	(444,151)	(439,978)
TOTAL	$ 41,824	$ 1,758,252	$ 1,538,222	$ 3,338,298	$ (333,062)	$ (153,238)	$ (836,849)	$ (1,323,149)

Head Office
Dundee Corporation
1 Adelaide Street East
Toronto, Ontario
M5C 2V9
Canada

Registrar and Transfer Agent
Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1
Toll Free: 1.800.564.6253
Email: service@computershare.com

Stock Exchange
Toronto Stock Exchange

Stock Symbol
DC.A

www.dundeecorporation.com