

This document is important and requires your immediate attention. If you are in any doubt as to how to deal with it, you should consult your investment dealer, stock broker, bank manager, trust company or other nominee. The Offer has not been approved or disapproved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is unlawful.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, and deposits will not be accepted from or on behalf of, persons in any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of any such jurisdiction. However, Dundee Corporation may, in its sole discretion, take such action as it may deem necessary to extend the Offer to persons in any such jurisdiction.



DUNDEE CORPORATION

OFFER TO PURCHASE UP TO 10,000,000 OF ITS CLASS A SUBORDINATE VOTING SHARES AT A PURCHASE PRICE OF CDN\$ 23.75 PER CLASS A SUBORDINATE VOTING SHARE

Dundee Corporation (“**Dundee**” or the “**Corporation**”) hereby offers to purchase for cancellation from the holders (the “**Shareholders**”) of Class A Subordinate Voting Shares in the capital of the Corporation (the “**Subordinate Voting Shares**”) up to 10,000,000 Subordinate Voting Shares at a price of \$23.75 per Subordinate Voting Share (the “**Purchase Price**”) upon the terms and subject to the conditions set forth herein.

This Offer expires at 5:00 p.m. (Toronto time) on October 19, 2011, unless extended, varied or withdrawn by Dundee (the “Expiration Date”). The Offer is not conditional upon any minimum number of Subordinate Voting Shares being deposited. The Offer is, however, subject to certain other conditions that are customary for transactions of this nature. Dundee reserves the right to withdraw the Offer and not take up and pay for any Subordinate Voting Shares deposited under the Offer unless certain conditions are satisfied or waived. See “Offer to Purchase — Conditions of the Offer”.

The offer by the Corporation and all deposits of Subordinate Voting Shares are subject to the terms and conditions set forth in the offer to purchase (“**Offer to Purchase**”), the accompanying issuer bid circular (“**Circular**”), and the related letter of transmittal (the “**Letter of Transmittal**”) and notice of guaranteed delivery (the “**Notice of Guaranteed Delivery**”) (which together constitute and are herein referred to as the “**Offer**”).

Each Shareholder who has properly deposited Subordinate Voting Shares, and who has not validly withdrawn such Subordinate Voting Shares, will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Subordinate Voting Shares purchased, on the terms and subject to the conditions of the Offer, including the provisions relating to pro ration described herein. If more than 10,000,000 Subordinate Voting Shares are validly deposited for purchase, Dundee will, upon the terms and subject to the conditions of the Offer, purchase at the Purchase Price the Subordinate Voting Shares so deposited on a pro rata basis, except that “Odd Lot” tenders (as described herein) will not be subject to pro ration. See “Offer to Purchase — Number of Subordinate Voting Shares and Pro Ration”.

Dundee will return all Subordinate Voting Shares not purchased under the Offer, including Subordinate Voting Shares not purchased because of pro ration or invalid tender, promptly after the Expiration Date.

The Corporation has relied on the provisions of section 1.2(1)(a) of Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions* and has determined that: (i) a liquid market existed for the Subordinate Voting Shares at the time the Offer was announced and as at the date hereof, and (ii) it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of the Subordinate Voting Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. The board of directors of the Corporation (the “**Board of Directors**”) has also obtained an opinion (the “**Liquidity Opinion**”) from GMP Securities L.P. (“**GMP**”). Subject to the qualifications, assumptions and restrictions set out therein, the Liquidity Opinion confirms the determination of the Corporation with respect to market liquidity. A copy of the Liquidity Opinion of GMP is attached hereto as Schedule A.

The Subordinate Voting Shares are listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the symbol “DC.A”.

The Offer is dated September 13, 2011. The Purchase Price under the Offer represents a premium of approximately 15% over the closing price of the Subordinate Voting Shares on the TSX of \$20.65 on September 9, 2011, the last full trading day immediately prior to the date of the announcement of Dundee’s intention to make the Offer.

Shareholders should carefully consider the income tax consequences of accepting the Offer and depositing Subordinate Voting Shares under the Offer. See “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations”.

Shareholders who wish to tender any or all of their Subordinate Voting Shares to the Offer must complete and execute the accompanying Letter of Transmittal in accordance with the instructions set forth therein and deposit the completed and executed Letter of Transmittal, together with the certificates representing the Subordinate Voting Shares being deposited and all other documents required by the Letter of Transmittal, at the specified office of Computershare Investor Services Inc. (the “**Depositary**”) on or before the Expiration Date. Shareholders whose Subordinate Voting Shares are registered in the name of a nominee may request their investment dealer, stock broker, bank manager, trust company or other nominee to take the necessary steps to deposit such Subordinate Voting Shares under the Offer. Shareholders who wish to deposit Subordinate Voting Shares under the Offer and whose certificates are not immediately available may do so by following the procedure for guaranteed delivery described in the Offer to Purchase under “Procedure for Depositing Subordinate Voting Shares”.

Neither Dundee nor the Board of Directors, in making the decision to present the Offer to Shareholders, makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Subordinate Voting Shares. Shareholders are strongly urged to review and evaluate carefully the information provided in the Offer, consult their own financial, legal, investment and tax advisors and make their own decisions as to whether to deposit Subordinate Voting Shares under the Offer and, if so, how many Subordinate Voting Shares to deposit. Dundee is making the Offer to provide an opportunity for shareholders who wish to realize upon their investment in Dundee to have increased liquidity for a prescribed time to sell some or all of their Subordinate Voting Shares. Future values and liquidity of the Subordinate Voting Shares cannot be assured and are subject to risks. The intention of the directors and officers of the Corporation to deposit any Shares held by them under the Offer is discussed in the Circular under “Issuer Bid Circular — Acceptance Of Offer.”

All dollar references in the Offer to Purchase and the Circular are in Canadian dollars unless otherwise indicated.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION OR THE BOARD OF DIRECTORS AS TO WHETHER SHAREHOLDERS SHOULD DEPOSIT OR REFRAIN FROM DEPOSITING SUBORDINATE VOTING SHARES UNDER THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THE OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION, THE BOARD OF DIRECTORS, THE DEPOSITARY OR THE DEALER MANAGER.

Any questions or requests for information regarding the Offer should be directed to the Depositary or the Dealer Manager at the addresses and telephone and facsimile numbers set forth on the last page of the Offer to Purchase and Circular.

The Dealer Manager for the Offer is:

GMP Securities L.P.

145 King Street West
Suite 300
Toronto, Ontario
M5H 1J8

Telephone: 416-943-6130

Fax: 416-943-6134

E-mail: ecm@gmpsecurities.com

September 13, 2011

INFORMATION FOR UNITED STATES SHAREHOLDERS ONLY

The Offer is made by Dundee, a Canadian issuer, for its own securities. Shareholders in the United States are permitted to participate in the Offer on the same terms as Shareholders outside the United States. However, while the Offer to Purchase and the Circular are subject to disclosure requirements under the laws of the provinces and territories of Canada, Shareholders should be aware that these disclosure requirements are different from those under the laws of the United States or other jurisdictions.

Financial statements of the Corporation were previously prepared in accordance with Canadian generally accepted accounting principles and are currently prepared in accordance with International Financial Reporting Standards (IFRS) and thus are not comparable, in certain respects, to financial statements of United States companies.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be adversely affected by the fact that the Corporation is incorporated under the laws of the Province of Ontario and a majority of its officers and directors are residents of countries other than the United States. Enforcement of civil liabilities under U.S. securities laws may further be affected adversely by the fact that some or all of the experts named in this Offer to Purchase and the Circular may be residents of Canada. It may be difficult to compel such parties to subject themselves to the jurisdiction of a court in the United States or to enforce any judgment obtained from a court of the United States.

Shareholders should be aware that acceptance of the Offer may have tax consequences under United States law and under Canadian law. See “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations” for a general summary of federal income tax considerations in respect of the Offer under Canadian law. The Circular does not address any income tax or other tax consequences in jurisdictions outside of Canada. Furthermore Shareholders should consult their own tax advisors regarding the specific tax considerations applicable to them with respect to the disposition of Subordinate Voting Shares under the Offer.

This transaction has not been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any state securities commission, nor has the SEC or any state securities commission passed on the accuracy or adequacy of the Offer. Any representation to the contrary is a criminal offence.

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SUMMARY

The following is a summary of information contained elsewhere in this Offer to Purchase and accompanying Circular and does not fully describe all of the details of the Offer. This summary is provided for convenience only and should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing or referred to elsewhere in this Offer to Purchase and the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery. Certain capitalized words and defined terms used in this summary are defined in the Glossary section of this Offer to Purchase found on pages 11 to 12.

Who is offering to purchase my Subordinate Voting Shares?

Dundee Corporation, which we refer to as “we”, “us”, the “**Corporation**” or “**Dundee**”.

What securities are included in this Offer?

We are offering to purchase outstanding Subordinate Voting Shares. See “Offer to Purchase — The Offer”.

What will be the purchase price of the Subordinate Voting Shares?

The Purchase Price will be \$23.75 per Subordinate Voting Share. All Subordinate Voting Shares that are purchased by us under the Offer will be purchased at the Purchase Price.

If your Subordinate Voting Shares are purchased under the Offer, you will be paid the Purchase Price (subject to applicable withholding taxes, if any (See “Issuer Bid Circular - Certain Canadian Federal Income Tax Considerations — Shareholders Not Resident in Canada”)) in cash, without interest, promptly following the expiration of the Offer. Under no circumstances will we, the Depositary or the Dealer Manager pay you interest on the Purchase Price, even if there is a delay in making payment. See “Offer to Purchase”.

Has Dundee or the Board of Directors adopted a position on the Offer?

Neither Dundee nor the Board of Directors, in making the decision to present the Offer to Shareholders, makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Subordinate Voting Shares. Shareholders are strongly urged to consult their own financial, legal, investment and tax advisors and make their own decision whether to deposit Subordinate Voting Shares under the Offer and, if so, how many Subordinate Voting Shares to deposit.

How many Subordinate Voting Shares will Dundee purchase?

The maximum number of Subordinate Voting Shares that the Corporation is offering to purchase under the Offer is 10,000,000, which represents approximately 16.2% of the Subordinate Voting Shares issued and outstanding as at September 9, 2011, or approximately 15.8% of the Subordinate Voting Shares issued and outstanding on that date on a fully diluted basis (assuming the exercise of all in the money Dundee stock options as of September 9, 2011 and no conversion of Common Shares or deferred share units, there would be an aggregate of 63,258,868 Subordinate Voting Shares outstanding as of such date).

If more than 10,000,000 Subordinate Voting Shares are properly deposited under the Offer, the Subordinate Voting Shares to be purchased will be taken up and paid for on a pro rata basis, except that “Odd Lot” tenders (as described herein) will not be subject to pro ration. See “Offer to Purchase — Number of Subordinate Voting Shares and Pro Ration”.

We will return all Subordinate Voting Shares not purchased under the Offer, including those Subordinate Voting Shares not purchased because of pro ration or invalid tender, promptly after the Expiration Date.

Do the directors, officers and insiders of the Corporation intend to deposit Subordinate Voting Shares under the Offer?

To the knowledge of the Corporation and its directors and officers, after reasonable enquiry, no director or officer of the Corporation, no associate or affiliate of an insider of the Corporation, no insider of the Corporation (other than a director or officer) and no person or company acting jointly or in concert with the Corporation,

has indicated any present intention to deposit any of such person's or company's Subordinate Voting Shares under the Offer.

Mr. Ned Goodman, the President and Chief Executive Officer of Dundee, and Jodamada Corporation, a private company owned by the adult children of Mr. Ned Goodman, do not intend to deposit any of his or its respective Subordinate Voting Shares under the Offer. If 10,000,000 Subordinate Voting Shares are purchased under the Offer (being the maximum number of Subordinate Voting Shares that can be purchased under the Offer), Mr. Ned Goodman's direct and indirect voting interest in the Corporation will increase from 83.3% to 85.6% on a non-diluted basis.

See "Issuer Bid Circular – Acceptance of Offer".

Why is Dundee making this Offer?

The Board of Directors has considered the proposed Offer and whether to proceed. In evaluating the Offer, the Board of Directors gave careful consideration to a number of factors, including the following:

- (a) the Subordinate Voting Shares have historically had an uneven pattern of trading, which may have made it difficult for Shareholders to dispose of substantial blocks of Subordinate Voting Shares;
- (b) certain Dundee investors may have acquired Subordinate Voting Shares as a means of indirectly holding DundeeWealth Inc. securities, but circumstances have changed, owing to Dundee's disposition of its position in DundeeWealth Inc. in exchange for securities of The Bank of Nova Scotia;
- (c) the Offer provides Shareholders with an opportunity to realize on all or a portion of their investment in the Corporation, should they desire liquidity, in quantities which might not otherwise be available in the market without incurring brokerage fees or commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the nominee holding their Subordinate Voting Shares on their behalf) which might otherwise be payable on a sale of their Subordinate Voting Shares on the TSX;
- (d) any Shareholder may decide whether to accept the Offer and, therefore, each Shareholder is free to dispose of or retain their investment;
- (e) the Offer is not conditional upon any minimum number of Subordinate Voting Shares being deposited;
- (f) the Purchase Price represents a premium of approximately 15% over the September 9, 2011 closing price of the Subordinate Voting Shares on the Toronto Stock Exchange, the last day the Subordinate Voting Shares traded prior to the announcement of the Offer;
- (g) Shareholders who do not accept the Offer will benefit from a proportionate increase in their equity interest in the Corporation to the extent Subordinate Voting Shares are purchased by the Corporation under the Offer;
- (h) after giving effect to the Offer, Dundee is expected to continue to have sufficient financial resources and working capital;
- (i) the Offer provides Shareholders who are considering the sale of all or a portion of their Subordinate Voting Shares with the opportunity to sell such Subordinate Voting Shares for cash without the usual transaction costs associated with market sales;
- (j) generally, Shareholders owning fewer than 100 Subordinate Voting Shares,

whose Subordinate Voting Shares are purchased under the Offer, will not only avoid the payment of any brokerage fees and commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the nominee holding their Subordinate Voting Shares on their behalf) but also any Odd Lot discounts, each of which may otherwise be applicable on a sale of their Subordinate Voting Shares on the TSX; and

- (k) it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there would be a market for holders of the Subordinate Voting Shares who do not deposit under the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer.

See “Issuer Bid Circular — Purpose and Effect of the Offer”.

How will Dundee pay for the Subordinate Voting Shares purchased under the Offer?

The Corporation will fund any purchases of Subordinate Voting Shares under the Offer through one or more of: (i) cash on hand, (ii) the sale of certain securities in the Corporation's investment portfolio, or (iii) available lines of credit. See “Issuer Bid Circular — Source of Funds”.

How do I tender my Subordinate Voting Shares?

To tender your Subordinate Voting Shares: (a) you must deliver your Subordinate Voting Share certificate(s) and a properly completed and duly executed Letter of Transmittal to the Depository at the address appearing on the back cover page of this Offer to Purchase and Circular, or (b) tender in accordance with the procedures for book-entry transfer established by CDS Clearing and Depository Services Inc. in Canada, or (c) tender through The Depository Trust Company (“DTC”) pursuant to DTC's Automated Tender Offer Program. If you are not able to deliver the certificate(s) for the Subordinate Voting Shares being deposited under the Offer, cannot complete the book-entry transfer procedures described in the Offer to Purchase or all required documents do not reach the Depository within the prescribed time period, you must follow the guaranteed delivery procedure described in “Offer to Purchase — Procedure for Depositing Subordinate Voting Shares”.

If your Subordinate Voting Shares are held through an investment dealer, stock broker, bank, trust company or other nominee, you must request such investment dealer, stock broker, bank manager, trust company or other nominee to effect the transaction for you. You may also contact the Depository for assistance. See “Offer to Purchase — Procedure for Depositing Subordinate Voting Shares” and the instructions in the related Letter of Transmittal.

**How long do I have to tender my Subordinate Voting Shares?
Can the Offer be extended, varied or terminated?**

You may tender your shares until the Offer expires. The Offer expires at 5:00 p.m. (Toronto time) on October 19, 2011, unless extended, varied or withdrawn by Dundee. If an investment dealer, stock broker, bank, trust company or other nominee holds your Subordinate Voting Shares, it is likely that the nominee has established an earlier deadline for you to act to instruct the nominee to accept the Offer on your behalf. We urge you to contact your investment dealer, stock broker, bank manager, trust company or other nominee to confirm the nominee's deadline.

We may extend or vary the Offer in our sole discretion. See “Offer to Purchase — Extension and Variation of the Offer”. We can also terminate the Offer under certain circumstances. See “Offer to Purchase — Conditions of the Offer”.

How will I be notified if Dundee extends the Offer?

As soon as practicable after giving notice of an extension or variation to the Depository, the Corporation will make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSX and any applicable Canadian securities regulatory authorities. See “Offer to Purchase — Extension and Variation of the Offer”.

Are there any conditions to the Offer?	Yes. The Offer is subject to a number of conditions, such as, among others, the absence of court and governmental action prohibiting or seeking to prohibit the Offer and certain changes in general market conditions or material changes in our business. See “Offer to Purchase — Conditions of the Offer”.
Once I have tendered Subordinate Voting Shares to the Offer, can I withdraw my Subordinate Voting Shares?	Yes. You may withdraw any Subordinate Voting Shares that you have tendered (a) at any time prior to the Expiration Date, (b) at any time after the Expiration Date if the Subordinate Voting Shares have not been taken up by the Corporation before actual receipt by the Depository of a notice of withdrawal with respect to such Subordinate Voting Shares, (c) if the Subordinate Voting Shares have been taken up but not paid for by the Corporation within three business days of being taken up, or (d) at any time before the expiration of ten days from the date that a notice of change or variation (other than a variation that (i) consists solely of an increase in the consideration offered for the Subordinate Voting Shares under the Offer where the time for deposit is extended to not later than ten days after the date of the notice of variation, or (ii) consists solely of the waiver of one or more conditions of the Offer) has been given in accordance with the Offer. See “Offer to Purchase — Withdrawal Rights”.
How do I withdraw Subordinate Voting Shares that I previously tendered?	You must deliver, on a timely basis, a written or facsimile notice of withdrawal to the Depository at the address appearing on the back cover page of this Offer to Purchase and Circular. The Depository must actually receive your notice of withdrawal in order for it to be effective. Among other things, your notice of withdrawal must specify your name, the number of Subordinate Voting Shares to be withdrawn and the name of the registered holder of such Subordinate Voting Shares. Some additional requirements will apply if the Subordinate Voting Share certificates to be withdrawn have been delivered to the Depository or if your Subordinate Voting Shares have been tendered under the procedure for book-entry transfer. See “Offer to Purchase — Withdrawal Rights”.
What impact will the Offer have on the liquidity of the market for Subordinate Voting Shares?	The Corporation has relied on the provisions of section 1.2(1)(a) of MI 61-101 and has determined that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of the Subordinate Voting Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. Additionally, the Board of Directors has obtained the Liquidity Opinion from GMP. Subject to the qualifications, assumptions and restrictions set out therein, the Liquidity Opinion confirms the above determination of the Corporation with respect to market liquidity. A copy of the Liquidity Opinion of GMP is attached hereto as Schedule A. See “Issuer Bid Circular — Purpose and Effect of the Offer — Liquidity of Market”.
What do I do if I own an “odd lot” of Subordinate Voting Shares?	If you beneficially own fewer than 100 Subordinate Voting Shares as of the Expiration Date, and you deposit all such Subordinate Voting Shares, we will accept for purchase, without pro ration but otherwise subject to the terms and conditions of the Offer, all of your Subordinate Voting Shares deposited. You should check Box A — “Odd Lots” in the Letter of Transmittal. See “Offer to Purchase — Number of Subordinate Voting Shares and Pro Ration”.
How will Dundee accept and pay for the Subordinate Voting Shares I tender?	We will take up the Subordinate Voting Shares to be purchased under the Offer promptly after the Expiration Date, but in any event not later than ten days after such time. We will pay for such Subordinate Voting Shares within three business days after taking up the Subordinate Voting Shares. See “Offer to Purchase — Acceptance for Payment and Payment for Subordinate Voting Shares”.
Will I have to pay brokerage commissions?	If you are a registered Shareholder and you deposit your Subordinate Voting Shares directly to the Depository, you will not be obligated to pay any brokerage fees or commissions. If you are a non-registered Shareholder who holds your Subordinate Voting Shares through an investment dealer, stock broker, bank, trust company or

other nominee, you should consult with such persons regarding whether fees or commissions will apply in connection with a deposit of Subordinate Voting Shares under the Offer.

What are the income tax consequences if I tender my Subordinate Voting Shares?

You should carefully consider the income tax consequences of accepting the Offer and depositing Subordinate Voting Shares under the Offer. In particular, the tax treatment described in the Circular on the sale of Subordinate Voting Shares under the Offer differs from the tax treatment which would generally apply to a sale in the market. We urge you to consult your own financial, legal, investment and tax advisors. See “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations”.

In what currency will Dundee pay for the Subordinate Voting Shares that I tender?

We will pay the Purchase Price (less applicable withholding taxes, if any) in Canadian dollars and payments of amounts owing to depositing Shareholders will be made in Canadian dollars only.

What is a recent market price for the Subordinate Voting Shares?

On September 9, 2011, the last full trading day immediately prior to the announcement of Dundee’s intention to make the Offer, the closing price on the TSX of the Subordinate Voting Shares was \$20.65. See “Issuer Bid Circular — Price Range of Subordinate Voting Shares”.

What will happen if I do nothing?

If you do nothing, you will continue to hold the number of Subordinate Voting Shares that you owned before the Offer and your proportionate Subordinate Voting Share ownership interest in Dundee will increase following successful completion of the Offer.

To whom can I talk if I have questions?

For further information regarding the Offer, you may contact the Depositary or the Dealer Manager or you may consult your own investment dealer, stock broker, bank manager, trust company or other nominee. The addresses and telephone and facsimile numbers of the Depositary and the Dealer Manager are set forth on the last page of this Offer to Purchase and Circular.

How do I get my Subordinate Voting Shares back if I have deposited them to the Offer but they are not taken up?

Certificates for all Subordinate Voting Shares deposited but not taken up, including Subordinate Voting Shares not taken up due to pro ration or invalid tender, will be returned promptly after the Expiration Date or termination of the Offer without expense to the depositing Shareholder.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION OR THE BOARD OF DIRECTORS AS TO WHETHER SHAREHOLDERS SHOULD DEPOSIT OR REFRAIN FROM DEPOSITING SUBORDINATE VOTING SHARES UNDER THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THE OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION, THE BOARD OF DIRECTORS, THE DEPOSITARY OR THE DEALER MANAGER.

GLOSSARY

This Glossary forms a part of the Offer to Purchase and Circular. In this Offer to Purchase and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery, unless otherwise specified or the subject matter or context is inconsistent therewith, the following terms shall have the meanings set out below, and grammatical variations thereof shall have the corresponding meanings.

“**Agent’s Message**” has the meaning set out under the heading “Offer to Purchase — Procedure for Depositing Subordinate Voting Shares — Proper Deposit of Subordinate Voting Shares”.

“**ATOP**” means DTC’s Automated Tender Offer Program.

“**Board of Directors**” means the board of directors of the Corporation as constituted from time to time.

“**Book-Entry Confirmation**” has the meaning set out under the heading “Offer to Purchase — Procedure for Depositing Subordinate Voting Shares — Proper Deposit of Subordinate Voting Shares”.

“**Canadian Shareholder**” has the meaning set out under the heading “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations — Shareholders Resident in Canada”.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**CDSX**” has the meaning set out under the heading “Offer to Purchase — Procedure for Depositing Subordinate Voting Shares — Book-Entry Transfer Procedures — CDS”

“**Circular**” has the meaning set out under the heading “Offer to Purchase — The Offer”.

“**Common Shares**” means Class B Common Shares in the capital of the Corporation.

“**Corporate Canadian Shareholder**” has the meaning set out under the heading “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations — Shareholders Resident in Canada — Corporate Canadian Shareholder”.

“**CRA**” means the Canada Revenue Agency.

“**Dealer Manager**” means GMP, the dealer manager for the Offer.

“**Depository**” means Computershare Investor Services Inc., in its capacity as depository under the Offer.

“**DTC**” means The Depository Trust Company.

“**Dundee**” or the “**Corporation**” means Dundee Corporation.

“**Dundee Capital Markets**” means Dundee Capital Markets Inc.

“**Dundee Realty**” means Dundee Realty Corporation.

“**Dundee Resources**” means Dundee Resources Limited.

“**Eligible Institution**” has the meaning set out under the heading “Offer to Purchase — Procedure for Depositing Subordinate Voting Shares — Signature Guarantees”.

“**Expiration Date**” has the meaning set out under the heading “Offer to Purchase — The Offer”.

“**First Preference Shares**” means the first preference shares, issuable in series, in the capital of the Corporation.

“**GMP**” means GMP Securities L.P.

“**Individual Canadian Shareholders**” has the meaning set out under the heading “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations — Shareholders Resident in Canada — Individual Canadian Shareholders”.

“**Letter of Transmittal**” has the meaning set out under the heading “Offer to Purchase — The Offer”.

“**Liquidity Opinion**” means an opinion dated September 13, 2011 from GMP, attached as Schedule A to this Offer to Purchase and Circular.

“**MI 61-101**” means Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*.

“**NCIB**” has the meaning set out under the heading “Issuer Bid Circular — Previous Purchases and Sales — Previous Purchases and Sales”.

“**Non-Canadian Shareholder**” has the meaning set out under the heading “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations — Shareholders Not Resident in Canada”.

“**Notice of Guaranteed Delivery**” has the meaning set out under the heading “Offer to Purchase — The Offer”.

“**Odd Lot Holders**” has the meaning set out under the heading “Offer to Purchase — Number of Subordinate Voting Shares and Pro Ration”.

“**Odd Lots**” has the meaning set out under the heading “Offer to Purchase — Number of Subordinate Voting Shares and Pro Ration”.

“**Offer**” has the meaning set out under the heading “Offer to Purchase — The Offer”.

“**Offer to Purchase**” has the meaning set out under the heading “Offer to Purchase — The Offer”.

“**public float**” has the meaning set out under the heading “Offer to Purchase — Purpose and Effect of the Offer — Liquidity of Market”.

“**Purchase Price**” means \$23.75 per Subordinate Voting Share.

“**Regulations**” means the regulations made under the Tax Act.

“**related parties**” has the meaning set out under the heading “Offer to Purchase — Purpose and Effect of the Offer — Liquidity of Market”.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Series 1 Shares**” means the First Preference Shares, Series 1 in the capital of the Corporation.

“**Series 2 Shares**” means the Cumulative 5-Year Rate Reset First Preference Shares, Series 2, in the capital of the Corporation.

“**Shareholders**” means the holders of Subordinate Voting Shares.

“**Soliciting Dealer**” has the meaning set out under the heading “Issuer Bid Circular — Fees and Expenses”.

“**Subordinate Voting Shares**” means the Class A Subordinate Voting Shares in the capital of the Corporation.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Tax Proposals**” has the meaning set out under the heading “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations”.

“**TSX**” means the Toronto Stock Exchange.

NOTICE TO HOLDERS OF OPTIONS

The Offer is made only for Subordinate Voting Shares and is not made for any options to acquire Subordinate Voting Shares or other securities or other rights to acquire Subordinate Voting Shares. Any holder of such securities who wishes to accept the Offer must, to the extent permitted by the terms thereof and applicable law, fully exercise, convert or exchange, as applicable, the options to acquire Subordinate Voting Shares or other securities or other rights in order to deposit the resulting Subordinate Voting Shares in accordance with the terms and conditions of the Offer. Any such exercise, conversion or exchange must occur sufficiently in advance of the Expiration Date to assure holders of options or other securities or other rights to acquire Subordinate Voting Shares that they will have sufficient time to comply with the procedures for depositing Subordinate Voting Shares under the Offer. Any such exercise, conversion or exchange will be irrevocable, including where the Subordinate Voting Shares tendered are subject to pro ration or otherwise are not taken up. The tax consequences to holders of options to acquire Subordinate Voting Shares or other securities or other rights to acquire Subordinate Voting Shares in respect of any such exercise, conversion or exchange are not described herein and all such holders are advised to contact their own tax advisors for tax advice having regard to their own particular circumstances.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The Offer includes certain statements that constitute “forward-looking statements” and “forward-looking information” within the meaning of applicable securities laws (“forward-looking statements” and “forward-looking information” are collectively referred to as “forward-looking statements”, unless otherwise stated). These statements appear in a number of places in the Offer and include statements regarding the Corporation’s intent, or the beliefs or current expectations of the Corporation’s officers and directors. Such forward-looking statements involve known and unknown risks and uncertainties that may cause the Corporation’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in the Offer, words such as “believe”, “anticipate”, “estimate”, “project”, “intend”, “expect”, “may”, “will”, “plan”, “should”, “would”, “contemplate”, “possible”, “attempts”, “seeks” and similar expressions are intended to identify these forward-looking statements. Forward-looking statements may relate to the Corporation’s future outlook and anticipated events or results and may include statements regarding the Corporation’s future financial position, business strategy, budgets, litigation, projected costs, financial results, taxes, plans and objectives. Management has based these forward-looking statements largely on management’s current expectations and projections about future events and financial trends affecting the financial condition of the Corporation’s business.

These forward-looking statements were derived utilizing numerous assumptions regarding expected growth, results of operations, performance and business prospects and opportunities that could cause the Corporation’s actual results to differ materially from those in the forward-looking statements. While the Corporation considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Accordingly, you are cautioned not to put undue reliance on these forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results.

To the extent any forward-looking statements constitute future-oriented financial information or financial outlooks, as those terms are defined under applicable Canadian securities laws, such statements are being provided to describe the current anticipated potential of the Corporation and readers are cautioned that these statements may not be appropriate for any other purpose, including investment decisions.

Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Material risk factors which could cause actual results to differ materially from the forward-looking statements include, but are not limited to: general economic and market conditions; the Corporation’s ability to execute the Corporation’s strategic plans and meet financial obligations; the performance of the Corporation’s principal subsidiaries and the Corporation’s ability to raise additional capital; the Corporation’s ability to create, attract and retain assets under management and assets under administration; risks relating to trading activities and investments; competition faced by the Corporation; regulation of the Corporation’s businesses; risks associated with the Corporation’s real estate and resources businesses and the Corporation’s investment holdings in general, including risks associated with oil and gas and mining exploration, development and processing activities, environmental risks, inflation, changes in interest rates, commodity prices and other financial exposures; the maintenance of minimum regulatory capital requirements for certain of the Corporation’s subsidiaries; the ability of the Corporation and its subsidiaries to attract and retain key personnel; changes or disruptions in the securities markets or volatility in the market price or liquidity of the Corporation's Subordinate Voting Shares; satisfaction or waiver of the conditions to the Offer; the extent to which Shareholders determine to tender their Subordinate Voting Shares to the Offer; the anticipated benefits of the Offer; and other risk factors including those listed under “Risk Factors” in

the Corporation's Annual Information Form dated March 31, 2011. Additional risks and uncertainties not presently known to the Corporation or that Dundee currently believes to be less significant may also adversely affect the Corporation.

Forward-looking statements speak only as of the date those statements are made. Except as required by applicable law, we assume no obligation to update, or to publicly announce the results of any change to, any forward-looking statement contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements. If we update any one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

You should not place undue importance on forward-looking statements and should not rely upon these statements as of any other date. All forward-looking statements contained in the Offer are expressly qualified in their entirety by this cautionary statement.

OFFER TO PURCHASE

To the holders of the Subordinate Voting Shares of Dundee Corporation:

THE OFFER

Dundee hereby offers to purchase for cancellation from the holders of Subordinate Voting Shares up to 10,000,000 Subordinate Voting Shares at a price of \$23.75 per Subordinate Voting Share payable in cash and on the terms and subject to the conditions set forth in this offer to purchase (the “**Offer to Purchase**”), the accompanying issuer bid circular (the “**Circular**”), the related letter of transmittal (the “**Letter of Transmittal**”) and the notice of guaranteed delivery (the “**Notice of Guaranteed Delivery**”) (which together constitute and are herein referred to as the “**Offer**”).

The Offer will expire at 5:00 p.m. (Toronto time) on October 19, 2011, unless extended, varied or withdrawn by Dundee (the “**Expiration Date**”).

Subject to the satisfaction or waiver by Dundee of the conditions of the Offer, all Shareholders who have, on or before the Expiration Date, properly deposited and not validly withdrawn their Subordinate Voting Shares will receive in cash the Purchase Price (subject to applicable withholding taxes, if any (see “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations — Shareholders Not Resident in Canada”)) for each Subordinate Voting Share purchased, on the terms and subject to the conditions of the Offer, including the provisions relating to pro ration described herein. Under no circumstances will we, the Depositary or the Dealer Manager pay you interest on the Purchase Price, even if there is a delay in making payment.

Dundee will return all Subordinate Voting Shares not purchased under the Offer, including Subordinate Voting Shares not purchased because of pro ration or invalid tender, promptly after the Expiration Date. Registered Shareholders who deposit their Subordinate Voting Shares directly to the Depositary will not be obligated to pay any brokerage fees or commissions. Non-registered Shareholders who hold their Subordinate Voting Shares through an investment dealer, stock broker, bank manager, trust company or other nominee should consult with such persons regarding whether any fees or commissions will apply in connection with a deposit of Subordinate Voting Shares under the Offer.

None of the Corporation, the Board of Directors, the Depositary or the Dealer Manager makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing any or all of such Shareholder’s Subordinate Voting Shares under the Offer. Shareholders are strongly urged to review and evaluate carefully all information in the Offer, to consult their own investment, tax and legal advisors, and to make their own decisions as to whether to deposit Subordinate Voting Shares under the Offer and, if so, how many Subordinate Voting Shares to deposit. Future values and liquidity of the Subordinate Voting Shares cannot be assured and are subject to risks. Shareholders must decide for themselves whether to deposit Subordinate Voting Shares under the Offer and should refer to the "Risk Factors" section of Dundee’s Annual Information Form dated March 31, 2011 available on SEDAR at www.sedar.com. Shareholders are also urged to consult their own investment, tax and legal advisors.

The Offer is not conditional upon any minimum number of Subordinate Voting Shares being deposited. The Offer is, however, subject to certain other conditions customary for transactions of this nature. Dundee reserves the right to withdraw the Offer and not take up and pay for any Subordinate Voting Shares deposited under the Offer if the conditions of the Offer are not satisfied or waived. See “Offer to Purchase — Conditions of the Offer”.

Prior to the Expiration Date, all factual information regarding the number of Subordinate Voting Shares deposited will be kept confidential, and the Depositary will be directed by the Corporation to maintain such confidentiality.

This Offer to Purchase, the accompanying Circular, Letter of Transmittal and Notice of Guaranteed Delivery contain important additional information and should be read carefully by each Shareholder before making any decision with respect to the Offer.

Shareholders should carefully consider the income tax consequences of accepting the Offer. See “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations”.

The Purchase Price will be denominated in Canadian dollars and payments of amounts owing to any depositing Shareholder will be made in Canadian dollars only. All dollar amounts set forth herein are expressed in Canadian dollars unless otherwise indicated.

NUMBER OF SUBORDINATE VOTING SHARES AND PRO RATION

As at September 9, 2011, the Corporation had 61,728,868 Subordinate Voting Shares issued and outstanding. In addition, the Corporation had 1,530,000 stock options issued and outstanding, of which 741,000 were vested and exercisable for an aggregate of 63,258,868 Subordinate Voting Shares on a fully diluted basis (excluding any Subordinate Voting Shares issuable on the conversion of Common Shares and deferred share units). Up to 10,000,000 Subordinate Voting Shares will be taken up and paid for under the Offer by the Corporation which represents approximately 15.8% of the total number of issued and outstanding Subordinate Voting Shares (on a fully diluted basis, excluding the conversion of Common Shares and deferred share units).

If less than 10,000,000 Subordinate Voting Shares are deposited under the Offer, Dundee will purchase at the Purchase Price all Subordinate Voting Shares deposited upon the terms and subject to the conditions of the Offer.

If more than 10,000,000 Subordinate Voting Shares are validly deposited under the Offer, Dundee will, upon the terms and subject to the conditions of the Offer, purchase at the Purchase Price the Subordinate Voting Shares so deposited on a pro rata basis, except that Odd Lot tenders (as described herein) who properly deposited all their Subordinate Voting Shares will not be subject to pro ration. With respect to depositing Shareholders who are not Odd Lot Holders, the Corporation will accept Subordinate Voting Shares for purchase at the Purchase Price on a pro rata basis according to the number of Subordinate Voting Shares deposited (or deemed to be deposited) by such holder compared to the total number of Subordinate Voting Shares deposited (or deemed to be deposited) by the depositing Shareholders, less the number of Subordinate Voting Shares purchased from Odd Lot Holders (with adjustments to avoid the purchase of fractional Subordinate Voting Shares). Dundee will return all Subordinate Voting Shares not purchased under the Offer, including Subordinate Voting Shares not purchased because of pro ration or invalid tender.

For purposes of the Offer, the Corporation will be deemed to have accepted for payment, subject to pro ration, Subordinate Voting Shares properly deposited, and not withdrawn, if, as and when the Corporation gives oral notice (to be confirmed in writing) or written notice to the Depositary of its acceptance of such Subordinate Voting Shares for payment under the Offer.

For purposes of the Offer, the term “**Odd Lots**” means all Subordinate Voting Shares properly deposited on or before the Expiration Date (and not validly withdrawn), in accordance with the procedures set forth in this Offer to Purchase, by or on behalf of Shareholders who beneficially own on the Expiration Date an aggregate of fewer than 100 Subordinate Voting Shares (“**Odd Lot Holders**”). As set forth above, Odd Lots will not be subject to any pro ration. In order to qualify for this treatment, an Odd Lot Holder must properly deposit all Subordinate Voting Shares beneficially owned by such Odd Lot Holder. Partial deposits will not qualify for this preference. This treatment is not available to holders of 100 or more Subordinate Voting Shares even if holders have separate share certificates for fewer than 100 Subordinate Voting Shares or hold fewer than 100 Subordinate Voting Shares in different accounts. Any Odd Lot Holder wishing to deposit all Subordinate Voting Shares beneficially owned, free of pro ration, must complete Box A —“Odd Lots” on the Letter of Transmittal and, if applicable, on the Notice of Guaranteed Delivery. Shareholders owning an aggregate of less than 100 Subordinate Voting Shares whose Subordinate Voting Shares are purchased under the Offer will not only avoid the payment of brokerage fees or commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the nominee holding their Subordinate Voting Shares on their behalf), but will also avoid any odd-lot discounts, each of which may be applicable on a sale of their Subordinate Voting Shares on the TSX.

PROCEDURE FOR DEPOSITING SUBORDINATE VOTING SHARES

Proper Deposit of Subordinate Voting Shares

To deposit Subordinate Voting Shares under the Offer, (i) the certificates for all deposited Subordinate Voting Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Subordinate Voting Shares with signatures that are guaranteed if so required in accordance with the instructions in the Letter of Transmittal, and any other documents required by the Letter of Transmittal, must be received by the Depositary at one of the addresses listed in the Letter of Transmittal on or before the Expiration Date, or (ii) the guaranteed delivery procedure described below must be followed, or (iii) such Subordinate Voting Shares must be transferred pursuant to the procedures for book-entry transfer described below (and a confirmation of such tender must be received by the Depositary, including a Book-Entry Confirmation or an Agent’s Message (each as defined below) if the tendering Shareholder has not delivered a Letter of Transmittal). The term “**Book-Entry Confirmation**” means a confirmation of a book-entry transfer of a Shareholder’s Subordinate Voting Shares by CDS. The term “**Agent’s Message**” means a message, transmitted by DTC to and received by the Depositary and forming a part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the tendering participant, which acknowledgment states that such participant has received and agrees to be bound by the Letter of Transmittal and that the Corporation may enforce such Letter of Transmittal against such participant.

The Offer is made only for Subordinate Voting Shares and is not made for any options to acquire Subordinate Voting Shares or other securities or other rights to acquire Subordinate Voting Shares. Any holder of such securities who wishes to accept the Offer must, to the extent permitted by the terms thereof and applicable law, fully exercise, convert or exchange, as applicable, the options to acquire Subordinate Voting Shares or other securities or other rights in order to deposit Subordinate Voting Shares in accordance with the terms and conditions of the Offer. Any such exercise, conversion or exchange must occur sufficiently in advance of the Expiration Date to assure holders of options or other securities or other rights to acquire Subordinate Voting Shares that they will have sufficient time to comply with the procedures for depositing Subordinate Voting Shares under the Offer. Any such exercise, conversion or exchange will be irrevocable, including where the Subordinate Voting Shares tendered are subject to pro ration or otherwise are not taken up. The tax consequences to holders of options to acquire Subordinate Voting Shares or other securities or other rights to acquire Subordinate Voting Shares in respect of any such exercise, conversion or exchange are not described herein and all such holders are advised to contact their own tax advisors for tax advice having regard to their own particular circumstances.

A non-registered Shareholder who wishes to deposit Subordinate Voting Shares under the Offer and whose certificate is registered in the name of an investment dealer, stock broker, bank, trust company or other nominee should immediately contact such nominee in order to take the necessary steps to be able to deposit such Subordinate Voting Shares under the Offer.

Participants of CDS in Canada or DTC in the United States should contact such depository, or any other applicable depository, to obtain instructions as to the method of depositing Subordinate Voting Shares under the Offer.

In addition, Odd Lot Holders who deposit all their Subordinate Voting Shares must complete Box A — “Odd Lots” in the Letter of Transmittal in order to qualify for the preferential treatment available to Odd Lot Holders as set forth in this Offer to Purchase under “Number of Subordinate Voting Shares and Pro Ration”.

Signature Guarantees

No signature guarantee is required on a Letter of Transmittal if either (i) the Letter of Transmittal is signed by the registered holder of the Subordinate Voting Shares exactly as the name of the registered holder appears on the share certificate deposited therewith, and payment and delivery are to be made directly to such registered holder, or (ii) Subordinate Voting Shares are deposited for the account of an Eligible Institution (defined below). In all other cases, all signatures on a Letter of Transmittal must be guaranteed by a Canadian Schedule 1 chartered bank, a participating organization of Toronto Stock Exchange Inc., a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (each such entity, an “**Eligible Institution**”). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Industry Regulatory Organization of Canada (IIROC), members of the Financial Industry Regulatory Authority (FINRA) or banks and trust companies in the United States. See Instruction 1 in the Letter of Transmittal.

If a certificate representing Subordinate Voting Shares is registered in the name of a person other than the signatory to a Letter of Transmittal, or if payment is to be made, or certificates representing Subordinate Voting Shares not purchased or deposited are to be issued to a person other than the registered holder, the certificate must be endorsed or accompanied by an appropriate stock power, in either case, signed exactly as the name of the registered holder appears on the certificate with the signature on the certificate or stock power signature guaranteed by an Eligible Institution.

Book-Entry Transfer Procedures — CDS

Any financial institution that is a participant in CDS may make book-entry delivery of the Subordinate Voting Shares through the CDS on-line tendering system pursuant to which book-entry transfers may be effected (“**CDSX**”) by causing CDS to deposit such Subordinate Voting Shares to the Depository in accordance with the applicable CDS procedures. Delivery of Subordinate Voting Shares to the Depository by means of book-entry through CDSX will constitute a valid tender under the Offer.

Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depository at its office in Toronto, Ontario on or before the Expiration Date. Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer via book-entry of their holdings with CDS, shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and therefore such instructions received by the Depository are considered to be a valid tender in accordance with the terms of the Offer. **Delivery of documents to CDS does not constitute delivery to the Depository.**

Book-Entry Transfer Procedures — DTC

The Depositary intends to establish an account with respect to the Subordinate Voting Shares at DTC for the purposes of the Offer. Any financial institution that is a participant in DTC may make book-entry delivery of Subordinate Voting Shares by causing DTC to deposit such Subordinate Voting Shares to the Depositary's account in accordance with DTC's procedures.

Although delivery of Subordinate Voting Shares may be effected under the Offer through book-entry transfer into the Depositary's account at DTC, a Letter of Transmittal (or a manually executed photocopy thereof) with any required signature guarantees, or (in the case of a book-entry transfer) an Agent's Message in lieu of a Letter of Transmittal and any other required documents, must, in any case, be transmitted to and received by the Depositary at its address in Toronto, Ontario on or prior to the Expiration Date in connection with the tender of such Subordinate Voting Shares. **Delivery of documents to DTC does not constitute delivery to the Depositary.**

Holders who are tendering by book-entry transfer to the Depositary's account at DTC may execute their tender through DTC's ATOP by transmitting their acceptance to DTC in accordance with DTC's ATOP procedures. DTC will then verify the acceptance, execute a book-entry delivery to the Depositary's account at DTC and send a message to the Depositary. Delivery of the message by DTC will satisfy the terms of the Offer in lieu of execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message. Accordingly, a Letter of Transmittal need not be completed by a Shareholder tendering through ATOP.

Method of Delivery

The method of delivery of certificates representing Subordinate Voting Shares and all other required documents is at the option and risk of the depositing Shareholder. If certificates representing Subordinate Voting Shares are to be sent by mail, registered mail with return receipt requested, properly insured, is recommended and the mailing must be made sufficiently in advance of the Expiration Date to permit delivery to the Depositary on or prior to such date. Delivery of a share certificate representing Subordinate Voting Shares will only be treated as having been made upon actual receipt of such share certificate representing Subordinate Voting Shares by the Depositary.

Guaranteed Delivery

If a Shareholder wishes to deposit Subordinate Voting Shares under the Offer and cannot deliver certificates for such Subordinate Voting Shares, the book-entry transfer procedures described above cannot be completed before the Expiration Date or time will not permit all required documents to reach the Depositary on or before the Expiration Date, such Subordinate Voting Shares may nevertheless be deposited if all of the following conditions are met:

- (a) such deposit is made by or through an Eligible Institution;
- (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Corporation or a manually executed photocopy thereof is received by the Depositary, at its office in Toronto, Ontario, as set out in the Notice of Guaranteed Delivery, on or before the Expiration Date; and
- (c) the share certificates for all deposited Subordinate Voting Shares in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Subordinate Voting Shares, with signatures guaranteed if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal, are received by the Depositary at its Toronto, Ontario, office before 5:00 p.m. (Toronto time) on or before the third trading day on the TSX after the Expiration Date.

The Notice of Guaranteed Delivery may be hand delivered, couriered, mailed or transmitted by facsimile transmission to the Toronto, Ontario office of the Depositary listed in the Notice of Guaranteed Delivery, and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently deposited.

Notwithstanding any other provision hereof, payment for Subordinate Voting Shares deposited and accepted for payment under the Offer for which a Notice of Guaranteed Delivery was delivered in accordance with the requirements set forth above will be made only after timely receipt by the Depositary of certificates for such Subordinate Voting Shares, a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Subordinate

Voting Shares with signatures that are guaranteed if so required and any other documents required by the Letter of Transmittal.

Determination of Validity

All questions as to the number of Subordinate Voting Shares to be taken up, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any deposit of Subordinate Voting Shares, will be determined by the Corporation, in its sole discretion, which determination will be final and binding on all parties. Dundee reserves the absolute right to reject any or all deposits of Subordinate Voting Shares determined by it in its sole discretion not to be in proper form or not completed in accordance with the instructions set forth herein and in the Letter of Transmittal or the Notice of Guaranteed Delivery or the acceptance for payment of, or payment for, which may, in the opinion of the Corporation's counsel, be unlawful under the laws of any jurisdiction. Dundee also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in any deposit of Subordinate Voting Shares. No deposit of Subordinate Voting Shares will be deemed to be properly made until all defects and irregularities have been cured or waived. None of the Corporation, the Depositary, the Dealer Manager or any other person will be under any duty to give notification of any defect or irregularity in any deposit or incur any liability for failure to give any such notice. The Corporation's interpretation of the terms and conditions of the Offer (including, without limitation, the Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding.

Under no circumstances will interest accrue or be paid by Dundee, the Depositary or the Dealer Manager on the Purchase Price to any person depositing Subordinate Voting Shares regardless of any delay in making payment, including any delay in making payment to any person using the guaranteed delivery procedures, and the payment for Subordinate Voting Shares deposited pursuant to the guaranteed delivery procedures will be the same as that for Subordinate Voting Shares delivered to the Depositary on or before the Expiration Date, even if the Subordinate Voting Shares to be delivered pursuant to the guaranteed delivery procedures are not so delivered to the Depositary at such date and, therefore, payment by the Depositary on account of such Subordinate Voting Shares is not made until after the date the payment for the deposited Subordinate Voting Shares accepted for payment under the Offer is to be made by the Corporation.

Formation of Agreement

The proper deposit of Subordinate Voting Shares pursuant to any one of the procedures described above will constitute a binding agreement between the depositing Shareholder and the Corporation, effective as of the time at which Dundee takes up Subordinate Voting Shares deposited by the depositing Shareholder, upon the terms and subject to the conditions of the Offer.

Further Assurances

Each Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Dundee, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the deposited Subordinate Voting Shares to the Corporation. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Shareholder and all obligations of the Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

WITHDRAWAL RIGHTS

Except as otherwise expressly provided herein or otherwise required or permitted by applicable laws, all deposits of Subordinate Voting Shares under the Offer will be irrevocable. Subordinate Voting Shares deposited under the Offer may be withdrawn by or on behalf of the depositing Shareholder:

- (a) at any time prior to the Expiration Date;
- (b) at any time after the Expiration Date if the Subordinate Voting Shares have not been taken up by the Corporation before actual receipt by the Depositary of a notice of withdrawal with respect to such Subordinate Voting Shares;
- (c) if the Subordinate Voting Shares have been taken up but not paid for by the Corporation within three business days of being taken up; or
- (d) at any time before the expiration of ten days from the date that a notice of change or notice of variation (other than a variation that (i) consists solely of an increase in the consideration offered for the Subordinate Voting Shares under the Offer where the time for deposit is extended to not later than ten days after the date of the notice

of variation, or (ii) consists solely of the waiver of one or more conditions of the Offer) has been given in accordance with this Offer (see “Extension and Variation of the Offer”).

For a withdrawal to be effective, a notice of withdrawal in writing must actually be received by the Depository by the dates specified above at the place of deposit of the relevant Subordinate Voting Shares. Any such notice of withdrawal (i) must be signed by or on behalf of the person who signed the Letter of Transmittal (or Notice of Guaranteed Delivery) that accompanied the Subordinate Voting Shares being withdrawn or, in the case of Subordinate Voting Shares tendered by a CDS participant through CDSX or a DTC participant through ATOP, be signed by such participant in the same manner as the participant’s name is listed on the applicable Book-Entry Confirmation or Agent’s Message, or be accompanied by evidence sufficient to the Depository that the person withdrawing the tender has succeeded to the beneficial ownership of the Subordinate Voting Shares, and (ii) must specify the name of the person who deposited the Subordinate Voting Shares to be withdrawn, the name of the registered holder, if different from that of the person who deposited such Subordinate Voting Shares, and the number of Subordinate Voting Shares to be withdrawn. If the certificates for the Subordinate Voting Shares deposited under the Offer have been delivered or otherwise identified to the Depository, then, prior to the release of such certificates, the depositing Shareholder must submit the serial numbers shown on the particular certificates evidencing the Subordinate Voting Shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution (as defined in this Offer to Purchase under “Procedure for Depositing Subordinate Voting Shares”), except in the case of Subordinate Voting Shares deposited by an Eligible Institution. **A withdrawal of Subordinate Voting Shares deposited under the Offer can only be accomplished in accordance with the foregoing procedures. The withdrawal shall take effect only upon actual receipt by the Depository of a properly completed and executed notice of withdrawal in writing.**

A non-registered Shareholder who wishes to withdraw Subordinate Voting Shares from the Offer and who holds Subordinate Voting Shares through an investment dealer, stock broker, bank, trust company or other nominee should immediately contact such nominee in order to take the necessary steps to be able to withdraw such Subordinate Voting Shares from the Offer. Participants of CDS or DTC should contact such depository with respect to the withdrawal of Subordinate Voting Shares from the Offer.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Corporation, in its sole discretion, which determination shall be final and binding for all purposes. None of the Corporation, the Depository, the Dealer Manager or any other person shall be obligated to give any notice of any defect or irregularity in any notice of withdrawal and none of them shall incur any liability for failure to give any such notice.

Any Subordinate Voting Shares properly withdrawn will thereafter be deemed not deposited for purposes of the Offer. However, withdrawn Subordinate Voting Shares may be redeposited prior to the Expiration Date by again following the procedures described herein. See “Procedure for Depositing Subordinate Voting Shares”.

If Dundee extends the period of time during which the Offer is open for acceptance, is delayed in its purchase of Subordinate Voting Shares or is unable to purchase Subordinate Voting Shares under the Offer for any reason, then, without prejudice to Dundee’s other rights under the Offer, the Depository may, subject to applicable law, retain on behalf of Dundee all Subordinate Voting Shares deposited under the Offer. In the event of such retention, such Subordinate Voting Shares may not be withdrawn except to the extent depositing Shareholders are entitled to withdrawal rights as described herein.

CONDITIONS OF THE OFFER

Notwithstanding any other provision of the Offer, the Corporation shall not be required to accept for purchase, to purchase or to pay for any Subordinate Voting Shares deposited, and may withdraw, terminate, cancel or amend the Offer or may postpone the taking up or payment for Subordinate Voting Shares deposited, if, at any time before the payment for any such Subordinate Voting Shares, any of the following events shall have occurred (or shall have been determined by the Corporation, in its sole judgment, to have occurred) and which, in Dundee’s sole judgment in any such case and regardless of the circumstances, makes it inadvisable to proceed with the Offer or with such acceptance for purchase, purchase or payment:

- (a) there shall have been threatened, pending or taken any action, suit or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of some or all of the Subordinate Voting Shares by the Corporation or otherwise directly or indirectly relating in any manner to or affecting the Offer, or (ii) seeking material damages or that otherwise, in the sole judgment of the Corporation, has or may have a material adverse effect on the Subordinate Voting Shares or the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of the Corporation or its affiliates taken as a whole or has impaired or may materially impair the contemplated benefits of the Offer to the Corporation or the Shareholders;

- (b) there shall have been any action or proceeding threatened, pending or taken or approval withheld or any statute, rule, regulation, stay, decree, judgment, order or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or the Corporation or its affiliates by any court, government or governmental authority or regulatory or administrative agency in any jurisdiction that, in the sole judgment of the Corporation, might directly or indirectly result in any of the consequences referred to in clauses (i) or (ii) of paragraph (a) above or, in the sole judgment of the Corporation, would or might prohibit, prevent, restrict or delay consummation of or materially impair the contemplated benefits to the Corporation or the Shareholders of the Offer or otherwise make it inadvisable to proceed with the Offer;
- (c) there shall have occurred (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada or the United States, (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the United States (whether or not mandatory), (iii) a natural disaster or the commencement of a war, armed hostilities or other international or national calamity directly or indirectly involving Canada, or any other region where the Corporation maintains significant business activities, (iv) any limitation by any government or governmental authority or regulatory or administrative agency or any other event that, in the sole judgment of the Corporation, might affect the extension of credit by banks or other lending institutions, (v) any significant decrease in the market price of the Subordinate Voting Shares since the close of business on September 9, 2011, the last full trading day immediately prior to the announcement of Dundee's intention to make the Offer, (vi) any change in general political, market, economic or financial conditions that has or may have a material adverse effect on the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of the Corporation or its affiliates, or the trading in, or value of, the Subordinate Voting Shares, (vii) any decline in any of the S&P/TSX Composite Index, the Dow Jones Industrial Average or the Standard and Poor's Index of 500 Industrial Companies by an amount in excess of 10%, measured from the close of business on September 9, 2011, the last full trading day immediately prior to the announcement of Dundee's intention to make the Offer, (viii) any material change in short-term or long-term interest rates in Canada or the United States; or (ix) in the case of the foregoing existing at the time of the commencement of the Offer, a material acceleration or worsening thereof;
- (d) there shall have occurred any change or changes (or any development involving any prospective change or changes) in the business, income, assets, liabilities, condition (financial or otherwise), properties, operations, results of operations or prospects of the Corporation or its affiliates that, individually or in the aggregate, in the sole judgment of the Corporation, has, have or may have a material adverse effect with respect to the Corporation or its affiliates taken as a whole;
- (e) the Corporation shall have concluded, in its sole judgment, that the Offer or the taking up and payment for any one or more of the Subordinate Voting Shares by the Corporation is illegal or not in compliance with applicable law, or that necessary exemptions under applicable securities legislation, including exemptions from any valuation requirements, are not available to the Corporation for the Offer and, if required under any such legislation, the Corporation shall not have received the necessary exemptions from or approvals or waivers of the appropriate courts or applicable securities regulatory authorities in respect of the Offer;
- (f) any change shall have occurred or been proposed to the Tax Act or the Regulations, as amended, or to the publicly available administrative policies or assessing practices of the CRA, that, in the sole judgment of the Corporation, is detrimental to the Corporation or its affiliates taken as a whole or to a Shareholder or Shareholders, or with respect to the making of the Offer or the taking up of and paying for Subordinate Voting Shares deposited under the Offer; or
- (g) the Corporation shall have determined that the consummation of the Offer is reasonably likely to cause the Subordinate Voting Shares to be delisted from the TSX.

The foregoing conditions are for the sole benefit of the Corporation and may be asserted by the Corporation, in its sole discretion, regardless of the facts or circumstances (including any action or inaction by the Corporation) giving rise to any such events, or may be waived by the Corporation, in its sole discretion, in whole or in part, if not satisfied on or prior to the Expiration Date. The failure by the Corporation at any time to exercise its rights under any of the foregoing conditions, or delay in doing so, shall not be deemed a waiver of any such right; any waiver of any such right with respect to particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time. Any determination by the Corporation concerning the events described herein shall be final and binding on all parties.

Any waiver of a condition or the withdrawal of the Offer by the Corporation shall be deemed to be effective on the date on which notice of such waiver or withdrawal by the Corporation is delivered or otherwise communicated, in writing, to the Depositary at its principal office in Toronto, Ontario. Dundee, after giving notice to the Depositary of any waiver of a condition or the withdrawal of the Offer, shall make a public announcement of such waiver or withdrawal and provide or cause to be provided notice of such waiver or withdrawal to the TSX, and any applicable Canadian securities regulatory authorities. If the Offer is withdrawn, the Corporation shall not be obligated to take up, accept for purchase or pay for any Subordinate Voting Shares deposited under the Offer, and the Depositary will return all certificates relating to deposited Subordinate Voting Shares, Letters of Transmittal and Notices of Guaranteed Delivery and any related documents to the parties by whom they were deposited.

ACCEPTANCE FOR PAYMENT AND PAYMENT FOR SUBORDINATE VOTING SHARES

If all conditions referred to in “Conditions of the Offer” have been satisfied or waived on or before the Expiration Date, the Corporation will take up the Subordinate Voting Shares to be purchased under the Offer promptly after the Expiration Date, but in any event not later than ten days after such time. The Corporation will pay the Purchase Price for such Subordinate Voting Shares within three business days after taking up the Subordinate Voting Shares.

Number of Subordinate Voting Shares

For purposes of the Offer, the Corporation will be deemed to have accepted for payment, subject to pro ration, up to 10,000,000 Subordinate Voting Shares properly deposited, and not withdrawn, if, as and when the Corporation gives oral notice (to be confirmed in writing) or written notice to the Depositary at its principal office in Toronto, Ontario of its acceptance of such Subordinate Voting Shares for payment under the Offer.

Payment

The Purchase Price payable by the Corporation, and thus the amount owing to any depositing Shareholder, will be denominated in Canadian dollars and will be net of any applicable withholding taxes.

Payment for Subordinate Voting Shares accepted for purchase under the Offer will be made by depositing the aggregate Purchase Price for such Subordinate Voting Shares with the Depositary (by bank transfer or other means satisfactory to the Depositary, acting reasonably), who will act as agent for the depositing Shareholders for the purposes of receiving payment from the Corporation and transmitting such payment to the depositing Shareholders. The Depositary will also coordinate with CDS and DTC, as applicable, with respect to Shareholders who have deposited Subordinate Voting Shares by way of book-entry transfer which are taken up and accepted for payment by Dundee, to arrange for payment to be made to such Shareholders in accordance with the applicable settlement procedures of CDS and DTC, as applicable. Receipt by the Depositary from the Corporation of payment for such Subordinate Voting Shares will be deemed to constitute receipt of payment by such depositing Shareholders. Under no circumstances will interest be paid by the Corporation, the Depositary or the Dealer Manager to Shareholders depositing Subordinate Voting Shares by reason of any delay in paying for any Subordinate Voting Shares or otherwise.

The Purchase Price for Subordinate Voting Shares deposited and purchased will be paid by cheque issued to the order of, or by wire transfer to, and certificate(s) representing any Subordinate Voting Shares not deposited or not purchased under the Offer will be issued in the name of, such person as specified by the person signing the Letter of Transmittal by properly completing the appropriate box of such Letter of Transmittal. Unless the depositing Shareholder instructs the Depositary to hold the cheque for pick-up by checking Box E — “Hold For Pick-Up” in the Letter of Transmittal, the cheque and any certificates will be forwarded by first-class mail, postage prepaid, to the payee at the address specified in the Letter of Transmittal. In the absence of an address being provided, cheques or certificates representing all Subordinate Voting Shares not purchased will be forwarded to the address of the relevant person shown on the share register for the Subordinate Voting Shares.

In the event more than 10,000,000 Subordinate Voting Shares are deposited under the Offer, the Corporation will determine the pro ration factor (subject to Odd Lots) and pay for those deposited Subordinate Voting Shares accepted for payment as soon as practicable after the Expiration Date. However, the Corporation does not expect to be able to announce the final results of any such pro ration until at least three business days after the Expiration Date.

Certificates for all Subordinate Voting Shares not purchased, including Subordinate Voting Shares not purchased due to pro ration or invalid tender, will be returned as soon as practicable after the Expiration Date or termination of the Offer without expense to the depositing Shareholder. In the case of Subordinate Voting Shares deposited by book-entry transfer pursuant to the procedures set out in “Procedures for Depositing Subordinate Voting Shares”, such Subordinate Voting Shares will be credited to the depositing Shareholder’s account maintained with CDS or DTC, as applicable.

If you are a registered Shareholder and you deposit your Subordinate Voting Shares directly to the Depositary, you will not be obligated to pay any brokerage fees or commissions. If you are a non-registered Shareholder who holds your Subordinate Voting Shares through an investment dealer, stock broker, bank, trust company or other nominee, you should consult with such persons regarding whether fees or commissions will apply in connection with a deposit of Subordinate Voting Shares under the Offer.

EXTENSION AND VARIATION OF THE OFFER

Subject to applicable law, the Corporation expressly reserves the right, in its sole discretion, and regardless of whether or not any of the conditions specified herein shall have been satisfied or waived, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer by giving written notice, or oral notice (to be confirmed in writing), of extension or variation to the Depositary and by causing the Depositary to provide to all Shareholders, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth herein. As soon as practicable after giving notice of an extension or variation to the Depositary, the Corporation will make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSX and any applicable Canadian securities regulatory authorities. Any notice of extension or notice of variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated, in writing, to the Depositary at its principal office in Toronto, Ontario.

Where the terms of the Offer are varied (other than a variation consisting solely of a waiver of one or more conditions of the Offer and any extension of the Offer resulting from the waiver or a variation consisting solely of an increase in the consideration offered under the Offer where the Expiration Date is extended for a period not greater than ten days after the date of the notice of variation), the period during which Subordinate Voting Shares may be deposited under the Offer shall not expire before ten days after the notice of variation has been mailed, delivered or otherwise properly communicated to Shareholders unless otherwise permitted by applicable legislation and subject to abridgement or elimination of that period pursuant to such orders or other forms of relief as may be granted by applicable securities regulatory authorities. During any such extension or in the event of any variation, all Subordinate Voting Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by the Corporation in accordance with the terms of the Offer, subject to the terms and conditions set forth in this Offer to Purchase under "Acceptance for Payment and Payment for Subordinate Voting Shares" and "Withdrawal Rights". An extension of the Expiration Date or a variation of the Offer does not constitute a waiver by the Corporation of its rights in this Offer to Purchase.

If, prior to the Expiration Date, a variation in the terms of the Offer increases the consideration offered to Shareholders by the Corporation, such increase shall be applicable to all deposited Subordinate Voting Shares that are taken up under the Offer. The Purchase Price to be paid by the Corporation for any Subordinate Voting Shares taken up and paid for as a result of an extension of the Offer shall be the same Purchase Price as that paid to Shareholders whose Subordinate Voting Shares are taken up and paid for pursuant to, and prior to the extension of, the Offer.

Notwithstanding the foregoing, except as provided by applicable Canadian securities legislation, the Offer may not be extended by the Corporation if all the terms and conditions of the Offer have been complied with (except those waived by the Corporation), unless the Corporation first takes up and pays for all Subordinate Voting Shares properly deposited under the Offer and not withdrawn.

The Corporation also expressly reserves the right, in its sole discretion, (i) to terminate the Offer and not take up and pay for any Subordinate Voting Shares not theretofore taken up and paid for upon the occurrence of any of the events, or failure to satisfy any of the conditions, specified in this Offer to Purchase under "Conditions of the Offer", and/or (ii) at any time or from time to time, to amend the Offer in any respect, subject to applicable Canadian securities legislation, including without limitation increasing or decreasing the maximum number of Subordinate Voting Shares that Dundee may purchase and/or the Purchase Price.

Any such extension, delay, termination or amendment will be followed as promptly as practicable by a public announcement. Without limiting the manner in which the Corporation may choose to make any public announcement, except as provided by applicable law, the Corporation shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release through its usual news wire service or any other news wire service.

If the Corporation makes a material change in the terms of the Offer or the information concerning the Offer, the Corporation will extend the time during which the Offer is open to the extent required under applicable Canadian securities legislation.

PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer, cheques in payment for Subordinate Voting Shares purchased under the Offer and certificates for any Subordinate Voting Shares to be returned will not be mailed if the Corporation determines that delivery by mail may be delayed. Persons entitled to cheques or certificates that are not mailed for this reason may take delivery at the office of the Depositary at which the deposited certificates for the Subordinate Voting Shares were delivered until the Corporation has determined that delivery by mail will no longer be delayed. Dundee will provide notice, in accordance with the Offer, of any determination not to mail under this section as soon as reasonably practicable after such determination is made.

ENCUMBRANCES AND DIVIDENDS

Subordinate Voting Shares acquired under the Offer shall be acquired by the Corporation free and clear of all liens, charges, hypothecs, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends or distributions that may be paid, issued, distributed, made or transferred on or in respect of such

Subordinate Voting Shares to Shareholders of record on or prior to the date upon which the Subordinate Voting Shares are taken up and paid for under the Offer shall be for the account of such Shareholders. Each Shareholder of record on such applicable record date prior to the date upon which the Subordinate Voting Shares are taken up and accepted for payment under the Offer will be entitled to receive that dividend or distribution, whether or not such Shareholder deposits Subordinate Voting Shares under the Offer. Subordinate Voting Shares taken up and paid for by Dundee will be promptly cancelled by Dundee.

Each depositing Shareholder will be bound by a representation and warranty that such Shareholder has full power and authority to deposit, sell, assign and transfer the deposited Subordinate Voting Shares and any and all dividends, distributions, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred on or in respect of the deposited Subordinate Voting Shares with a record date on or after the date that Dundee takes up and accepts for purchase the deposited Subordinate Voting Shares and that, if the deposited Subordinate Voting Shares are taken up and accepted for purchase by Dundee, Dundee will acquire good title thereto, free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom.

NOTICE

Without limiting any other lawful means of giving notice, any notice to be given by the Corporation or the Depositary under the Offer will be deemed to have been properly given if it is mailed by first-class mail, postage prepaid, to the registered Shareholders at their respective addresses as shown on the share registers maintained in respect of the Subordinate Voting Shares, and will be deemed to have been received on the first business day following the date of mailing. These provisions apply despite (i) any accidental omission to give notice to any one or more Shareholders, and (ii) any interruption of mail service in Canada, the United States or elsewhere following mailing. In the event of an interruption of mail service following mailing, the Corporation will use reasonable efforts to disseminate the notice by other means, such as publication. Except as otherwise required or permitted by law, if post offices in Canada or the United States are not open for deposit of mail, or there is reason to believe there is or could be a disruption in all or any part of the postal service, any notice which the Corporation or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by Shareholders if it is issued by way of a news release and if it is published once in the National Edition of the *National Post* or *The Globe and Mail*.

OTHER TERMS OF THE OFFER

- (a) No investment dealer, stock broker, bank manager, trust company or other person has been authorized to give any information or to make any representation on behalf of the Corporation or the Board of Directors other than as contained in the Offer, and, if any such information or representation is given or made, it must not be relied upon as having been authorized by the Corporation or the Board of Directors.
- (b) It is a term of the Offer that, for the purposes of subsection 191(4) of the Tax Act, the specified amount in respect of each Subordinate Voting Share shall be the closing price on the TSX on the Expiration Date for the Subordinate Voting Shares. Shareholders should carefully consider the income tax consequences of accepting the Offer. See "Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations".
- (c) The Offer and all contracts resulting from the acceptance thereof shall be governed by, and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Each party to a contract resulting from an acceptance of the Offer unconditionally and irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.
- (d) Dundee, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the validity of any acceptance of the Offer, the pro rata entitlement of each depositing Shareholder, if applicable, and the validity of any withdrawal of Subordinate Voting Shares.
- (e) The Offer is not being made to, and deposits of Subordinate Voting Shares will not be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. Dundee may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

Neither Dundee nor the Board of Directors, in making the decision to present the Offer to Shareholders, makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Subordinate Voting Shares. Shareholders are strongly urged to consult their own financial, legal, investment and tax advisors and make their own decision whether to deposit Subordinate Voting Shares under the Offer and, if so, how many Subordinate Voting Shares to deposit.

The accompanying Circular, together with this Offer to Purchase, constitutes the issuer bid circular required under Canadian securities legislation applicable to the Corporation with respect to the Offer.

The accompanying Circular contains additional information relating to the Corporation and the Offer and the Corporation urges you to read it, the Letter of Transmittal and the Notice of Guaranteed Delivery.

DATED this 13th day of September, 2011.

DUNDEE CORPORATION

By: *(Signed)* NED GOODMAN

President and Chief Executive Officer

By: *(Signed)* LUCIE PRESOT

Vice President and Chief Financial Officer

ISSUER BID CIRCULAR

This Circular is being furnished in connection with the offer by Dundee to purchase for cancellation up to 10,000,000 Subordinate Voting Shares on the terms and subject to the conditions contained in the Offer to Purchase. Capitalized words and defined terms used in this Circular, unless otherwise defined herein, have the meanings given to them above under the heading “Glossary” found at pages 11 to 12 of the Offer to Purchase. The terms and conditions of the Offer to Purchase are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of its terms and conditions.

DUNDEE CORPORATION

General

Dundee is an independent, publicly traded Canadian asset management company. The Corporation’s asset management activities are focused on real estate and infrastructure, resources, and energy.

Asset management activities are carried out by Ned Goodman Investment Counsel Limited, a registered portfolio manager and exempt market dealer across Canada and an investment fund manager in the province of Ontario, and by Dundee Real Estate Asset Management, the asset management division of Dundee Realty, a 70% owned subsidiary of the Corporation. Asset management activities are supported by Dundee’s 49.4% interest in Dundee Capital Markets. Dundee Capital Markets is also the manager of the flow-through limited partnership business carried out through the “CMP”, “CDR” and “Canada Dominion Resources” brands.

The Corporation also owns and manages direct investments in these core focus areas, through ownership of both publicly listed and private companies. Real estate operations are carried out through the Corporation’s investment in Dundee Realty, an owner and developer of residential and recreational properties in North America. Resource investments are overseen by Dundee Resources, a wholly owned subsidiary of the Corporation, and include the Corporation’s 56.6% investment in Dundee Energy Limited (formerly Eurogas Corporation), an oil and natural gas company with a mandate to create long-term value through the development of high impact energy projects.

The registered and head office of the Corporation is located at Dundee Place, 1 Adelaide Street, 28th Floor, Toronto, Ontario, M5C 2V9. The Corporation’s website is www.dundeecorporation.com.

Additional Information

Dundee is subject to the information and reporting requirements of applicable Canadian provincial securities laws and the rules of the TSX and in accordance therewith files periodic reports and other information with securities regulatory authorities in Canada, relating to its business, financial condition and other matters. Dundee is required to disclose in such reports certain information, as of particular dates, concerning Dundee’s directors and officers, their compensation, stock options granted to them, the principal holders of Dundee’s securities and any material interest of such persons in transactions with Dundee. The Corporation files reports, statements and other information with the Canadian Securities Administrators which may be accessed on SEDAR at www.sedar.com.

PURPOSE AND EFFECT OF THE OFFER

The Board of Directors of Dundee has determined that the purchase of Subordinate Voting Shares under the Offer represents an attractive investment opportunity for Dundee and will be welcomed by certain Shareholders who may wish to reduce their share ownership positions for the reasons set forth below under “Issuer Bid Circular — Background to the Offer”.

Neither Dundee nor the Board of Directors, in making the decision to present the Offer to Shareholders, makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Subordinate Voting Shares. Shareholders are strongly urged to review and evaluate carefully the information provided in the Offer, consult their own financial, legal, investment and tax advisors and make their own decision as to whether to deposit Subordinate Voting Shares under the Offer and, if so, how many Subordinate Voting Shares to deposit.

Background to the Offer

The Board of Directors has considered the proposed Offer and whether to proceed. In evaluating the Offer, the Board of Directors gave careful consideration to a number of factors, including the following:

- (a) the Subordinate Voting Shares have historically had an uneven pattern of trading, which may have made it difficult for Shareholders to dispose of substantial blocks of Subordinate Voting Shares;

- (b) certain Dundee investors may have acquired Subordinate Voting Shares as a means of indirectly holding DundeeWealth Inc. securities, but circumstances have changed, owing to Dundee's disposition of its position in DundeeWealth Inc. in exchange for securities of The Bank of Nova Scotia;
- (c) the Offer provides Shareholders with an opportunity to realize on all or a portion of their investment in the Corporation, should they desire liquidity, in quantities which might not otherwise be available in the market without incurring brokerage fees or commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the nominee holding their Subordinate Voting Shares on their behalf) which might otherwise be payable on a sale of their Subordinate Voting Shares on the TSX;
- (d) any Shareholder may decide whether to accept the Offer and, therefore, each Shareholder is free to dispose of or retain their investment;
- (e) the Offer is not conditional upon any minimum number of Subordinate Voting Shares being deposited;
- (f) the Purchase Price represents a premium of approximately 15% over the September 9, 2011 closing price of the Subordinate Voting Shares on the TSX, the last day the Subordinate Voting Shares traded prior to the announcement of the Offer;
- (g) Shareholders who do not accept the Offer will benefit from a proportionate increase in their equity interest in the Corporation to the extent Subordinate Voting Shares are purchased by the Corporation under the Offer;
- (h) after giving effect to the Offer, Dundee is expected to continue to have sufficient financial resources and working capital;
- (i) the Offer provides Shareholders who are considering the sale of all or a portion of their Subordinate Voting Shares with the opportunity to sell such Subordinate Voting Shares for cash without the usual transaction costs associated with market sales;
- (j) generally, Shareholders owning fewer than 100 Subordinate Voting Shares, whose Subordinate Voting Shares are purchased under the Offer, will not only avoid the payment of any brokerage fees and commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the nominee holding their Subordinate Voting Shares on their behalf) but also any Odd Lot discounts, each of which may otherwise be applicable on a sale of their Subordinate Voting Shares on the TSX; and
- (k) it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there would be a market for holders of the Subordinate Voting Shares who do not deposit under the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer (see "Purpose and Effect of the Offer — Liquidity of Market" and Schedule A – Liquidity Opinion of GMP).

The foregoing summary of the factors is not intended to be exhaustive of the factors considered by the Board of Directors in making the decision to present the Offer to Shareholders, but includes the material factors considered by the Board of Directors. The Board of Directors evaluated various factors, including those summarized above, in light of their own knowledge of the business, assets, financial condition, operations and prospects of Dundee and based upon the advice of their advisors. In view of the numerous factors considered, the Board of Directors did not find it practicable to, and did not quantify or otherwise attempt to assign relative weight to specific factors in reaching its recommendation and decision, as applicable. In addition, individual members of the Board of Directors may have given different weight to different factors.

None of the Corporation, its Board of Directors, the Depositary or the Dealer Manager makes any recommendation to Shareholders as to whether to deposit or refrain from depositing any or all of such Shareholder's Subordinate Voting Shares under the Offer. No person has been authorized to make any such recommendation. Shareholders are strongly urged to review and evaluate carefully all information in the Offer to Purchase and Circular, to consult their own investment, tax and legal advisors, and to make their own decisions as to whether to deposit Subordinate Voting Shares under the Offer and, if so, how many Subordinate Voting Shares to deposit. Future values and liquidity of the Subordinate Voting Shares cannot be assured and are subject to risks.

On September 12, 2011, the Board of Directors approved the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery.

Subject to certain exceptions, Canadian securities laws prohibit the Corporation and its affiliates from acquiring any Subordinate Voting Shares, other than under the Offer, until at least 20 business days after the Expiration Date or date of termination of the Offer.

Subject to applicable law, Dundee may in the future purchase additional Subordinate Voting Shares on the open market, in private transactions, through issuer bids or otherwise. Any such purchases may be on the same terms or on terms that are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by the Corporation will depend on many factors, including the market price of the Subordinate Voting Shares, the Corporation's business and financial position, the results of the Offer and general economic and market conditions. The Subordinate Voting Shares purchased under the Offer will be cancelled by the Corporation.

Shareholders should carefully consider the income tax consequences of accepting the Offer. See "Certain Canadian Federal Income Tax Considerations".

Liquidity of Market

As at September 9, 2011, the Corporation had 61,728,868 issued and outstanding Subordinate Voting Shares and 37,568,606 issued and outstanding Subordinate Voting Shares comprising the "**public float**", which consists of the issued and outstanding Subordinate Voting Shares excluding Subordinate Voting Shares beneficially owned, or over which control or direction is exercised, by related parties of the Corporation (as defined under applicable Canadian securities laws). For the purpose of the Offer, "**related parties**" are the directors and officers of the Corporation, as well as the directors and officers of affiliated entities of the Corporation and holders of any securities of the Corporation carrying more than 10% of the voting rights attached to all outstanding securities of the Corporation. The maximum number of Subordinate Voting Shares that the Corporation is offering to purchase under the Offer is 10,000,000, which represents approximately 16.2% of the Subordinate Voting Shares issued and outstanding as at September 9, 2011, or approximately 15.8 % of the Subordinate Voting Shares issued and outstanding on that date on a fully diluted basis (assuming the exercise of all in the money Dundee stock options as of September 9, 2011 and no conversion of Common Shares or deferred share units, there would be an aggregate of 63,258,868 Subordinate Voting Shares outstanding as of such date). If the Corporation purchases 10,000,000 Subordinate Voting Shares under the Offer and none of the related parties deposit their Subordinate Voting Shares under the Offer, the public float would be comprised of 27,568,606 Subordinate Voting Shares (assuming no exercise of options and no conversion of Common Shares or deferred share units).

In connection with the making of the Offer, the Corporation has determined that:

- (a) there is a published market for the Subordinate Voting Shares, namely the TSX;
- (b) during the 12-month period before September 12, 2011, the date that the Corporation publicly announced its intention to make the Offer:
 - (i) the number of the issued and outstanding Subordinate Voting Shares was at all times at least 5,000,000, excluding the Subordinate Voting Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by related parties and the Subordinate Voting Shares that were not freely tradeable;
 - (ii) the aggregate trading volume of the Subordinate Voting Shares was at least 1,000,000 shares on the TSX;
 - (iii) there were at least 1,000 trades in the Subordinate Voting Shares on the TSX; and
 - (iv) the aggregate value of the trades in Subordinate Voting Shares on the TSX was at least \$15,000,000; and
- (c) the market value of the Subordinate Voting Shares on the TSX, as determined in accordance with MI 61-101, was at least \$75,000,000 for August, 2011, being the calendar month preceding the calendar month in which the Offer was announced.

The Board of Directors has determined that there is a liquid market on the date hereof and that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Subordinate Voting Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer.

The Board of Directors has also obtained the Liquidity Opinion from GMP, which confirms the above determination. GMP has provided the Liquidity Opinion to the Board of Directors to the effect that, based on and subject to the assumptions and limitations stated in its liquidity opinion, there is a liquid market for the Subordinate Voting Shares at the time the Offer was announced and as at the date of the Liquidity Opinion, and that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Subordinate Voting Shares who do not tender to the Offer that is not materially less liquid

than the market that existed at the time of the making of the Offer. A copy of the Liquidity Opinion of GMP is attached hereto as Schedule A. As Dealer Manager, GMP is not independent of the Corporation within the meaning of MI 61-101.

Dundee is relying on the “liquid market exemption” specified under section 3.4(b) of MI 61-101 and the definition of “liquid market” in section 1.2(1)(a) of MI 61-101 and, as a consequence, is not required to obtain a formal valuation with respect to the Offer. Accordingly, the valuation requirements of applicable securities regulatory authorities in Canada applicable to issuer bids will not be applicable in connection with the Offer.

FINANCIAL STATEMENTS

The audited annual consolidated financial statements of Dundee as at and for the year ended December 31, 2010, and the unaudited interim consolidated financial statements of Dundee as at and for the six-month period ended June 30, 2011 are available on SEDAR at www.sedar.com. Shareholders may obtain copies of the most recent interim financial statements, without charge, upon request to the Corporate Secretary of Dundee, at Dundee Place, 1 Adelaide Street East, 28th Floor, Toronto, Ontario, M5C 2V9.

CORPORATE STRUCTURE AND SHARE CAPITAL

Authorized and Issued Outstanding Capital

The Corporation is authorized to issue an unlimited number of Subordinate Voting Shares, an unlimited number of Common Shares, an unlimited number of first preference shares, issuable in series, an unlimited number of second preference shares, issuable in series and an unlimited number of third preference shares, issuable in series.

As of September 9, 2011, the Corporation had the following securities outstanding:

Common Shares	3,116,964
Subordinate Voting Shares	61,728,868
First Preference Shares, Series 1 Shares	6,000,000
First Preference Shares, Series 2 Shares	5,200,000
5.85% Exchangeable Unsecured Subordinated Debentures (\$1,000)	9,182

For a full description of the rights, privileges, restrictions and conditions attached to each class of shares of the Corporation, please see the Annual Information Form for the year ended December 31, 2010 dated March 31, 2011.

PRICE RANGE OF SUBORDINATE VOTING SHARES

Trading of Subordinate Voting Shares on Principal Markets

The Subordinate Voting Shares are listed on the TSX under the symbol “DC.A”.

The following table sets forth the high and low closing prices per Subordinate Voting Share and the volumes of the Subordinate Voting Shares traded on the TSX, as compiled from published financial sources, for the periods indicated.

Subordinate Voting Shares (TSX)

	<u>High</u> <u>(\$)</u>	<u>Low</u> <u>(\$)</u>	<u>Volume</u>
September 1 – 9, 2011.....	22.44	20.65	557,783
August 2011	24.90	20.42	2,413,909
July 2011	26.60	24.45	9,067,986
June 2011	25.99	24.25	6,938,223
May 2011	24.94	24.13	9,732,351
April 2011	25.50	24.21	2,904,804
March 2011	25.63	22.57	2,993,104
February 2011	24.86	21.72	9,592,449
January 2011	22.29	20.03	4,073,245

December 2010	20.85	19.70	3,927,305
November 2010.....	21.48	15.10	4,085,545
October 2010.....	15.66	13.39	2,317,625
September 2010.....	13.84	11.36	5,001,431

Dundee announced its intention to make the Offer on September 12, 2011. The Purchase Price represents a premium of approximately 15% over the closing price of the Subordinate Voting Shares on the TSX of \$20.65 on September 9, 2011, the last full trading day immediately prior to the announcement of Dundee’s intention to make the Offer.

Shareholders are urged to obtain current market quotations for the Subordinate Voting Shares.

DIVIDENDS

The current practice of the Corporation is to pay quarterly dividends to the holders of its Series 1 Shares and Series 2 Shares. The Corporation has not established a dividend policy with respect to the Subordinate Voting Shares or the Common Shares of the Corporation.

There is currently no plan or intention to declare a dividend or alter the Corporation’s dividend policy. However, the dividend policy with respect to all of the shares of the Corporation is reviewed by the Board of Directors on a quarterly basis and any future determination to pay dividends will be at the discretion of the Board of Directors and will depend on the financial condition, results of operations and capital requirements of the Corporation and such other factors as the Board of Directors considers relevant. The Corporation is not subject to any restrictions on its ability to pay dividends.

The following table discloses the dollar amount of cash dividends declared per share for the Series 1 Shares and Series 2 Shares, respectively, outstanding during 2011 to date (including declared and not yet paid dividends), 2010 and 2009:

Dividends per Outstanding Share	2011	2010	2009
Series 1 Shares	\$0.9375	\$1.25	\$1.25
Series 2 Shares	\$1.2656	\$1.6875	\$0.49469

PREVIOUS PURCHASES AND SALES

Previous Purchases and Sales

Dundee received approval from the TSX to continue its normal course issuer bid (“**NCIB**”) through the facilities of the TSX from April 1, 2010 to March 31, 2011 and subsequently from April 1, 2011 to March 31, 2012. Under its previous NCIB, Dundee was permitted to purchase up to a maximum of 5,411,197 of its Subordinate Voting Shares, representing approximately 10% of its public float at the beginning of such bid. Under the renewed NCIB, Dundee was permitted to purchase up to a maximum of 4,207,351 of its Subordinate Voting Shares, representing approximately 10% of its public float at the beginning of such bid. Dundee purchased the maximum permitted amounts under both the previous and renewed NCIB. All purchases under the previous and renewed NCIB were made in accordance with the policies and rules of the TSX. The Corporation paid the market price at the time of acquisition for any Subordinate Voting Shares purchased under the NCIB. The Corporation has cancelled shares purchased under the previous and renewed NCIB. During the previous 12 months, the Corporation purchased and cancelled 5,899,148 of its outstanding Subordinate Voting Shares under the previous and renewed NCIBs through the facilities of the TSX at a weighted average price per Subordinate Voting Share of \$24.24 (excluding commissions). Such Subordinate Voting Shares purchased by the Corporation pursuant to the previous and renewed NCIBs were purchased at the prevailing market price at the time of purchase, at prices ranging from \$12.00 to \$25.50.

No securities of the Corporation were purchased (other than as described above) or sold (other than as described in “Previous Distributions” below) by the Corporation during the 12-month period preceding the date of the Offer excluding securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights.

Previous Distributions

Other than the distributions detailed in the tables below, no Subordinate Voting Shares have been distributed during the five year period preceding the date of the Offer except for:

- (i) On October 29, 2009, Mr. Ned Goodman acquired 500,805 Common Shares for consideration of 500,805 Subordinate Voting Shares.

- (ii) On December 22, 2006, Mr. Ned Goodman acquired 420,897 Common Shares for consideration of 420,897 Subordinate Voting Shares.
- (iii) In 2010, 403,620 Subordinate Voting Shares were distributed by the Corporation pursuant to stock appreciation rights for \$0 in aggregate proceeds at an average issue price of \$13.69.

The following table details the Subordinate Voting Shares distributed pursuant to the exercise of options:

Options			
Year	Number of Distributed Subordinate Voting Shares	Average Exercise Price (\$)	Aggregate Proceeds Received by Dundee (\$)
2011 (from January 1 to September 13)	3,000	9.40	28,200.00
2010	277,612	5.01	1,391,798.80
2009	300,000	5.27	1,582,100.00
2008	275,000	7.39	2,031,000.00
2007	257,340	9.21	2,369,182.50
2006 (from September 14 to December 31)	4,500	13.58	61,125.00

The following table details the Subordinate Voting Shares distributed pursuant to the employee share purchase plan:

Employee Share Purchase Plan			
Year	Number of Distributed Subordinate Voting Shares	Average Exercise Price (\$)	Aggregate Proceeds Received by Dundee (\$)
2011 (from January 1 to September 13)	3,964	23.55	93,333.44
2010	10,221	13.70	140,000.16
2009	25,087	7.18	180,000.00
2008	19,245	8.60	165,532.34
2007	3,680	19.39	71,355.40
2006 (from September 14 to December 31)	8,595	16.00	137,547.13

OWNERSHIP OF DUNDEE'S SECURITIES; ARRANGEMENTS CONCERNING SUBORDINATE VOTING SHARES

Ownership of the Securities of the Corporation

The following table indicates, as at September 9, 2011, the number of outstanding securities of the Corporation beneficially owned, or over which control or direction was exercised, by each director and officer of the Corporation and, to the knowledge of the Corporation after reasonable enquiry, by each director and officer of its subsidiaries and each associate of a director or officer of the Corporation or its subsidiaries.

Name Relationship with the Corporation	Number of Common Shares	% of Common Shares	Number of Subordinate Voting Shares	% of Subordinate Voting Shares	Number of Options to Acquire Subordinate Voting Shares	Average Exercise Price per Share (\$)	Number of Deferred Share Units
Normand Beauchamp Director	-	-	30,000	0.05%	-	-	44,654
Michael Cooper Director	-	-	10,000	0.02%	-	-	4,413
David Goodman Director	-	-	875,708	1.42%	-	-	10,915
Jonathan C. Goodman Director	-	-	974,304	1.58%	-	-	37,705
Ned Goodman Director, President and Chief Executive Officer	3,086,583	99.0%	2,417,421	3.92%	1,000,000	\$9.40	480,547
Harold P. Gordon Director	-	-	108,573	0.18%	-	-	279,245
Ellis Jacob Director	-	-	249	0.0004%	-	-	22,362
Frederick H. Lowy Director	-	-	18,675	0.03%	-	-	46,826
Garth A.C. MacRae Director	873	0.03%	592,772	0.96%	-	-	44,898
Robert McLeish Director	-	-	9,000	0.01%	105,000	\$5.13	31,870
K. Barry Sparks Director	-	-	46,000	0.07%	-	-	17,971
Harry R. Steele Director	-	-	40,000	0.06%	-	-	46,260
Sivan Fox Vice President, Legal	-	-	2,528	0.004%	20,000	\$9.40	-
Lili Mance Corporate Secretary	-	-	5,179	0.01%	25,000	\$9.40	-
Perina Montesano Vice President, Internal Audit	-	-	4,709	0.01%	25,000	\$9.67	-
Kevin Ng Vice President, Taxation	-	-	1,885	0.003%	20,000	\$9.40	-
Lucie Presot Vice President and Chief Financial Officer	-	-	118,764	0.19%	140,000	\$9.40	-

Name Relationship with the Corporation	Number of Common Shares	% of Common Shares	Number of Subordinate Voting Shares	% of Subordinate Voting Shares	Number of Options to Acquire Subordinate Voting Shares	Average Exercise Price per Share (\$)	Number of Deferred Share Units
Thomas Augustinas Vice President, Ned Goodman Investment Counsel Limited	-	-	1,077	0.002%	-	-	-
David Bhumgara Chief Financial Officer, Dundee Energy Limited (formerly Eurogas Corporation)	-	-	468	0.0008%	-	-	-
Derek Buntain President, The Dundee Merchant Bank	-	-	57,141	0.09%	-	-	-
Joanne Ferstman President and Chief Executive Officer, Dundee Capital Markets Inc.	-	-	201,200	0.33%	120,000	\$4.38	35,415
Murray John President and Chief Executive Officer, Dundee Resources Limited Vice President, NGIC	-	-	26,013	0.04%	75,000	\$9.40	-
Bruce Sherley Vice President, Oil and Gas, Dundee Resources Limited President and Director, Dundee Oil and Gas Limited, the general partner of Dundee Energy Limited Partnership	-	-	9,090	0.01%	-	-	-

To the knowledge of the Corporation and its directors and officers, after reasonable enquiry, as at September 9, 2011, no associate or affiliate of an insider of the Corporation, no associate or affiliate of the Corporation, no insider of the Corporation (other than a director or officer) and no person or company acting jointly or in concert with the Corporation, owns any securities of the Corporation except as otherwise disclosed herein.

Mr. Ned Goodman, the President and Chief Executive Officer of the Corporation, owns in aggregate, directly or indirectly, 3,086,583 Common Shares and 2,417,421 Subordinate Voting Shares. These holdings represent 99.0% of the Common Shares and 3.9% of the Subordinate Voting Shares and, collectively, a 83.3% direct and indirect voting interest.

Jodamada Corporation, a private company owned by the adult children of Mr. Ned Goodman, owns in aggregate 6,584,906 Subordinate Voting Shares, representing 10.7% of the Subordinate Voting Shares and a 1.8% voting interest.

Based on public filings, Harbour Advisors, a business unit of CI Investments Inc., holds 12,024,400 Subordinate Voting Shares, representing 19.5% of the Subordinate Voting Shares and a 3.2% voting interest.

Other than as set out above, to the knowledge of the directors and executive officers of the Corporation, as at September 13, 2011, no person beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of outstanding securities of the Corporation.

AGREEMENTS, COMMITMENTS, OR UNDERSTANDINGS WITH SHAREHOLDERS

There are no agreements, commitments or understandings, made or proposed to be made, between Dundee and any security holder of Dundee relating to the Offer.

ACCEPTANCE OF OFFER

To the knowledge of the Corporation and its directors and officers, after reasonable enquiry, no director or officer of the Corporation, no associate or affiliate of an insider of the Corporation, no insider of the Corporation (other than a director or officer) and no person or company acting jointly or in concert with the Corporation, has indicated any present intention to deposit any of such person's or company's Subordinate Voting Shares under the Offer.

Mr. Ned Goodman and Jodamada Corporation do not intend to deposit any of his or its respective Subordinate Voting Shares under the Offer.

However, in the event that the circumstances or decisions of any such persons or companies change, they may decide to tender Subordinate Voting Shares to the Offer or sell their Subordinate Voting Shares through the facilities of the TSX or otherwise during the period prior to the Expiration Date. See "Issuer Bid Circular — Ownership of Dundee's Securities; Arrangements Concerning Subordinate Voting Shares" for information relating to the number of Subordinate Voting Shares held by each of the directors and officers of Dundee and such other persons referred to in this Circular under "Ownership of Dundee's Securities; Arrangements Concerning Subordinate Voting Shares".

COMMITMENTS TO ACQUIRE SECURITIES OF THE CORPORATION

Dundee has no agreements, commitments or understandings to acquire any securities of the Corporation, other than under the Offer. To the knowledge of the Corporation, after reasonable inquiry, no person or company referred to in this Circular under "Ownership of Dundee's Securities; Arrangements Concerning Subordinate Voting Shares" has any agreement, commitment or understanding to acquire securities of the Corporation.

BENEFITS FROM THE OFFER

To the knowledge of the Corporation, after reasonable enquiry, no person or company referred to in this Circular under "Ownership of Dundee's Securities; Arrangements Concerning Subordinate Voting Shares" will receive any direct or indirect benefit from accepting or refusing to accept the Offer, other than the benefit or consideration available to any Shareholder or any security holder of Dundee who does or does not participate in the Offer.

Depending on the number of Subordinate Voting Securities acquired by the Corporation under the Offer, the voting interest of Mr. Ned Goodman will increase as a consequence of Mr. Goodman's ownership of Common Shares of the Corporation, which are not subject to the Offer. If 10,000,000 Subordinate Voting Shares are purchased under the Offer (being the maximum number of Subordinate Voting Shares that can be purchased under the Offer), Mr. Ned Goodman's direct and indirect voting interest in the Corporation will increase from 83.3% to 85.6% on a non-diluted basis.

MATERIAL CHANGES IN THE AFFAIRS OF THE CORPORATION

Except as described or referred to in the Offer, the directors and officers of the Corporation are not aware of any information which indicates that there is any plan or proposal for any material changes in the affairs of Dundee.

Except as described or referred to in the Offer, the directors and officers of the Corporation are not aware of any material facts concerning the securities of the Corporation or of any matter not disclosed in the Offer that has not previously been generally disclosed and that would reasonably be expected to affect the decision of the Shareholders to accept or reject the Offer.

GOING PRIVATE TRANSACTION OR BUSINESS COMBINATION

The Offer does not constitute, and is not intended to be followed by, a going private transaction or business combination. Canadian provincial and territorial securities laws prohibit Dundee and its affiliates from acquiring any Subordinate Voting Shares other than under the Offer until at least 20 business days after the Expiration Date or the date of termination of the Offer. Subject to applicable law, Dundee may in the future purchase additional Subordinate Voting Shares on the open market, pursuant to its existing or future normal course issuer bids, in private transactions, through subsequent issuer bids, or otherwise. Any such purchases may be on the same terms or on terms that are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by Dundee will depend on many factors, including the market price of the Subordinate Voting Shares, Dundee's business and financial position, the results of the Offer, and general economic and market conditions.

PRIOR VALUATIONS

Pursuant to the provisions of MI 61-101, an issuer making an offer for its securities must, with certain limited exceptions, disclose every prior valuation or appraisal of its securities or any material asset made in the 24 months before the date of such offer whether or not prepared by an independent valuator which would reasonably be expected to affect the decision of a securityholder to retain or dispose of the securities affected by the offer. To the knowledge of the directors and senior officers of Dundee no “prior valuation” (as defined in MI 61-101) regarding Dundee or its material assets has been prepared within the 24 months preceding the date hereof.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes, as at the date hereof, the principal Canadian federal income tax considerations generally applicable to a Shareholder who sells his or her Subordinate Voting Shares under the Offer and who, for purposes of the Tax Act, at all relevant times, (i) is not exempt from tax under the Tax Act, (ii) holds his or her Subordinate Voting Shares as capital property, and (iii) deals at arm’s length and is not “affiliated” (as defined in the Tax Act) with the Corporation. Generally, the Subordinate Voting Shares will be considered to be capital property to a Shareholder provided that the Shareholder does not use or hold, and is not deemed to use or hold, the Subordinate Voting Shares in the course of carrying on a business and has not acquired the Subordinate Voting Shares in one or more transactions considered to be an adventure or concern in the nature of trade. As more fully described below, Shareholders who are residents of Canada may be able to elect to have the Subordinate Voting Shares be treated as capital property.

This summary is not applicable to a Shareholder an interest in which is a “tax shelter investment”, as defined in the Tax Act, a Shareholder that is, for purposes of certain rules (referred to as the “mark-to-market” rules) applicable to securities held by financial institutions, a “financial institution”, as defined in the Tax Act, or to a Shareholder that has elected to report its “Canadian tax results” (as defined in the Tax Act) in a currency other than the Canadian currency. This summary is not applicable to a Shareholder that is a “specified financial institution” or “restricted financial institution” as defined in the Tax Act. All such Shareholders should consult their own tax advisors.

This summary is based upon the provisions of the Tax Act, the Regulations, and on counsel’s understanding of the published administrative policies and assessing practices of the CRA, all in effect as of the date hereof. This summary takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or in administrative policies and assessing practices, whether by legislative, regulatory, administrative or judicial action, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Shareholders should consult their own tax advisors for advice with respect to the tax consequences to them of selling their Subordinate Voting Shares under the Offer, having regard to their own particular circumstances.

The tax treatment described below on the sale of Subordinate Voting Shares under the Offer differs from the tax treatment which would generally apply to a sale in the market. Accordingly, Shareholders may wish to consider selling their Subordinate Voting Shares in the market prior to the Expiration Date as an alternative to accepting the Offer. The selling price from such market sales may be different from the Purchase Price. Shareholders should consult their own tax advisors to determine whether doing so would be advantageous for them in their particular circumstances.

Shareholders Resident in Canada

The following discussion applies to a Shareholder who, for the purposes of the Tax Act and at all relevant times, is resident or is deemed to be resident in Canada (a “**Canadian Shareholder**”). Certain Canadian Shareholders whose Subordinate Voting Shares might not otherwise qualify as capital property may, in certain circumstances, treat such Subordinate Voting Shares as capital property by making the irrevocable election provided by subsection 39(4) of the Tax Act.

Individual Canadian Shareholders

Canadian Shareholders who are individuals (including trusts) (“**Individual Canadian Shareholders**”) and who sell Subordinate Voting Shares to the Corporation under the Offer will be deemed to receive a taxable dividend equal to the excess of the amount paid by the Corporation for the Subordinate Voting Shares over their paid-up capital for income tax purposes. The Corporation has established that the paid-up capital of the Subordinate Voting Shares for income tax purposes is \$3.85. The deemed dividend will be

subject to the normal gross-up and dividend tax credit rules applicable to taxable dividends received by individual shareholders from a taxable Canadian corporation, including the enhanced gross-up and dividend tax credit if the dividend recipient receives notice from the Corporation designating the dividend as an “eligible dividend”, and should be included in computing an Individual Canadian Shareholder’s income. The Corporation hereby designates all deemed dividends arising as a result of a sale of Subordinate Voting Shares under the Offer as eligible dividends for the purposes of section 89 of the Tax Act.

Individual Canadian Shareholders who sell their Subordinate Voting Shares to the Corporation under the Offer will also be considered to have disposed of their Subordinate Voting Shares. The proceeds of disposition of their Subordinate Voting Shares will be equal to the amount paid by the Corporation less the amount deemed to be received by the Individual Canadian Shareholder as a taxable dividend. The Canadian Shareholder will realize a capital loss (gain) on the disposition of the Subordinate Voting Shares equal to the amount by which the Canadian Shareholder’s proceeds of disposition, net of any reasonable costs of disposition, are less than (or exceed) the adjusted cost base to the Canadian Shareholder of the Subordinate Voting Shares sold to the Corporation under the Offer. Under the Tax Act, one-half of any capital loss (gain) realized by a Canadian Shareholder represents an allowable capital loss (taxable capital gain). A taxable capital gain must be included in the Canadian Shareholder’s income. Subject to and in accordance with the provisions of the Tax Act, allowable capital losses must be deducted from taxable capital gains of the Canadian Shareholder in the year, and allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years.

An Individual Canadian Shareholder (other than a trust) who has realized a capital loss on the sale of Subordinate Voting Shares under the Offer may have all or a portion of that capital loss denied under the “superficial loss” rules of the Tax Act. This may be the case where the Individual Canadian Shareholder or a person affiliated with the Individual Canadian Shareholder has acquired additional Subordinate Voting Shares in a period beginning 30 days before the sale of Subordinate Voting Shares under the Offer and ending 30 days after the sale of Subordinate Voting Shares under the Offer. Trusts are also subject to loss denial rules that apply in circumstances similar to those described above. Individual Canadian Shareholders are urged to consult with their own tax advisors with respect to the “superficial loss” rules or the stop-loss rules applicable to trusts.

A capital gain realized, or a dividend received (or deemed to be received) by an Individual Canadian Shareholder (other than certain specified trusts), as a result of the sale of Subordinate Voting Shares under the Offer may give rise to a liability for alternative minimum tax. Such Individual Canadian Shareholders should consult their own tax advisors with respect to the alternative minimum tax rules set out in the Tax Act.

The deemed dividend tax treatment described above on the sale of Subordinate Voting Shares under the Offer differs from the capital gains treatment which would generally apply to a sale in the market. In view of the deemed dividend that would arise on the sale of the Subordinate Voting Shares pursuant to the Offer, Individual Canadian Shareholders may wish to consider selling their Subordinate Voting Shares in the market prior to the Expiration Date as an alternative to accepting the Offer, in order to receive capital gains treatment on the sale of their Subordinate Voting Shares. The selling price from such market sales may be different from the Purchase Price. Shareholders should consult their own tax advisors to determine whether doing so would be advantageous for them in their particular circumstances.

Corporate Canadian Shareholders

A Canadian Shareholder that is a corporation that sells Subordinate Voting Shares to the Corporation under the Offer (“**Corporate Canadian Shareholder**”) will (subject to the potential application of subsection 55(2) of the Tax Act) be deemed to receive a taxable dividend equal to the excess of the amount paid by the Corporation for the Subordinate Voting Shares over their paid-up capital for income tax purposes. The Corporation has established that the paid-up capital of the Subordinate Voting Shares for income tax purposes is \$3.85.

Any such dividend that is not required to be recognized as proceeds of disposition under subsection 55(2) of the Tax Act as described below will be included in computing the Corporate Canadian Shareholder’s income as a taxable dividend and will ordinarily be deductible in computing its taxable income. To the extent that such a deduction is available, private corporations (as defined in the Tax Act) and certain other corporations may be liable to pay refundable tax under Part IV of the Tax Act at a rate of 33 1/3% on the amount of the deemed dividend. Corporate Canadian Shareholders should consult their own tax advisors for specific advice with respect to the possible application of these provisions.

Under subsection 55(2) of the Tax Act, a Corporate Canadian Shareholder may be required to treat all or a portion of the deemed dividend as proceeds of disposition and not as a taxable dividend. Subsection 55(2) of the Tax Act does not apply to that portion of the taxable dividend subject to tax under Part IV of the Tax Act that is not refunded under the circumstances specified in subsection 55(2) of the Tax Act and does not apply if the dividend would not be deductible in computing taxable income. Further, subsection 55(2) of the Tax Act will not apply on a sale of Subordinate Voting Shares to the Corporation under the Offer unless the Corporate Canadian

Shareholder would have realized a capital gain if it disposed of any Subordinate Voting Share at fair market value immediately before its sale to the Corporation and the sale to the Corporation resulted in a significant reduction in the portion of the capital gain that could reasonably be considered to be attributable to anything other than the Canadian Shareholder's "safe income" in respect of the particular Subordinate Voting Share. Generally, the "safe income" in respect of a particular Subordinate Voting Share held by a Canadian Shareholder is the portion of the Corporation's undistributed income for purposes of the Tax Act which is attributable to such Subordinate Voting Share and which is earned or realized after the later of 1971 and the time the Canadian Shareholder acquired the particular Subordinate Voting Share. Corporate Canadian Shareholders should consult their tax advisors for specific advice with respect to the potential application of subsection 55(2) of the Tax Act.

The difference between the amount paid by the Corporation and the amount deemed to be received by the Canadian Shareholder as a taxable dividend, after application of subsection 55(2) of the Tax Act, will be treated as proceeds of disposition of the Subordinate Voting Shares for purposes of computing any capital gain or capital loss arising on the sale of the Subordinate Voting Shares. The Corporate Canadian Shareholder will realize a capital loss (gain) on the disposition of the Subordinate Voting Shares equal to the amount by which the Corporate Canadian Shareholder's proceeds of disposition, net of any reasonable costs of disposition, are less than (or exceed) the adjusted cost base to the Corporate Canadian Shareholder of the Subordinate Voting Shares sold to the Corporation under the Offer. Under the Tax Act, one-half of any capital loss (gain) realized by a Canadian Shareholder represents an allowable capital loss (taxable capital gain). A taxable capital gain must be included in computing the Canadian Shareholder's income. Subject to and in accordance with the provisions of the Tax Act, allowable capital losses must be deducted from taxable capital gains of the Canadian Shareholder in the year and allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years.

The amount of any capital loss realized by a Corporate Canadian Shareholder will be reduced by the amount of any dividends deemed to have been received on the Subordinate Voting Shares as a result of the sale of such shares to the Corporation under the Offer. The amount of any capital loss realized by a Corporate Canadian Shareholder will also be reduced by the amount of other dividends received, or deemed to have been received, on the Subordinate Voting Shares to the extent and under the circumstances prescribed by the Tax Act. Rules similar to the rules described in the preceding two sentences apply where a corporation is a member of a partnership or a beneficiary of a trust that, directly or indirectly through a partnership or a trust, disposes of Subordinate Voting Shares under the Offer.

A Corporate Canadian Shareholder that has realized a capital loss on the sale of Subordinate Voting Shares under the Offer may have all or a portion of that loss denied under the Tax Act. This may be the case where the Corporate Canadian Shareholder or a person affiliated with the Canadian Shareholder has acquired additional Subordinate Voting Shares in a period beginning 30 days before the sale of Subordinate Voting Shares under the Offer and ending 30 days after the sale of Subordinate Voting Shares under the Offer. Corporate Canadian Shareholders are urged to consult their own tax advisors with respect to these stop-loss rules.

A Shareholder that is a Canadian-controlled private corporation throughout the year (as defined in the Tax Act) may be liable to pay additional refundable tax of $6\frac{2}{3}\%$ on its "aggregate investment income" for the year, which is defined to include an amount in respect of taxable capital gains (but not to include dividends or deemed dividends, that are deductible in computing taxable income).

Shareholders Not Resident in Canada

The following discussion applies to a Shareholder who, at all relevant times, for purposes of the Tax Act and any applicable tax treaty or convention, (i) is neither resident nor deemed to be resident in Canada, (ii) does not and is not deemed to use or hold his Subordinate Voting Shares in carrying on business in Canada, (iii) has not, either alone or in combination with persons with whom the Shareholder does not deal at arm's length, owned 25% or more of the issued Subordinate Voting Shares of any class or series of the capital stock of the Corporation at any time within five years preceding the sale of the Subordinate Voting Shares under the Offer (in each case a "**Non-Canadian Shareholder**").

If the Subordinate Voting Shares of a Non-Canadian Shareholder are purchased by the Corporation under the Offer, a taxable dividend will be deemed to arise as discussed under "Individual Canadian Shareholders". Such dividend will be subject to Canadian withholding tax at a rate of 25%, or such lower rate as may be provided under the terms of an applicable Canadian income tax treaty or convention. Non-Canadian Shareholders should consult their own tax advisors to determine their entitlement to relief under any applicable income tax treaty or convention, based on their particular circumstances.

A Non-Canadian Shareholder will not be subject to tax under the Tax Act in respect of any capital gains on the disposition of Subordinate Voting Shares under the Offer.

In view of the deemed dividend tax treatment described above on the sale of Subordinate Voting Shares under the Offer and the resulting Canadian withholding tax, Non-Canadian Shareholders may wish to consider selling their Subordinate Voting Shares in the market prior to the Expiration Date as an alternative to selling their Subordinate Voting Shares to the Corporation under the Offer. The selling price from such market sales may be different from the Purchase Price. Non-Canadian Shareholders should consult their own tax advisors to determine whether doing so would be advantageous for them in their particular circumstances.

SOURCE OF FUNDS

The Corporation will fund any purchases of Subordinate Voting Shares under the Offer through one or more of: (i) cash on hand, (ii) the sale of certain securities in the Corporation's investment portfolio, or (iii) available lines of credit.

DEALER MANAGER

GMP has been retained by Dundee to serve as Dealer Manager in connection with the Offer. For additional details, see "Fees And Expenses" below.

DEPOSITARY

Dundee has appointed Computershare Investor Services Inc. to act as a Depositary for, among other things, (i) the receipt of certificates representing Subordinate Voting Shares and related Letters of Transmittal deposited under the Offer, (ii) the receipt of Notices of Guaranteed Delivery delivered pursuant to the procedures for guaranteed delivery set forth in the Offer to Purchase under "Procedure for Depositing Subordinate Voting Shares", (iii) the receipt from the Corporation of cash to be paid in consideration of the Subordinate Voting Shares acquired by the Corporation under the Offer, as agent for the depositing Shareholders, and (iv) the transmittal of such cash to the depositing Shareholders. The Depositary may, but shall be under no obligation to, contact Shareholders by mail, telephone or facsimile and may request investment dealers, stock brokers, bank managers, trust companies or other nominees to forward materials relating to the Offer to beneficial owners. The Depositary is not an affiliate of Dundee and the Depositary also acts as Dundee's transfer agent and registrar.

FEEES AND EXPENSES

The Depositary will receive reasonable and customary compensation for its services, will be reimbursed for certain reasonable out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection with the Offer, including certain liabilities under Canadian provincial and territorial securities laws. No fee or commission will be payable by any Shareholder who deposits such Subordinate Voting Shares directly with the Depositary in connection with this Offer. If you are a non-registered Shareholder who holds your Subordinate Voting Shares through an investment dealer, stock broker, bank, trust company or other nominee, you should consult with such persons regarding whether fees or commissions will apply in connection with a deposit of Subordinate Voting Shares under the Offer. Investment dealers, stock brokers, bank managers, trust companies or other nominees will, upon request, be reimbursed by the Corporation for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers.

In addition, the Corporation has retained GMP to provide the Liquidity Opinion, for which GMP will receive a reasonable fee.

As described above under "Dealer Manager", Dundee has retained GMP to serve as Dealer Manager in connection with the Offer. Dundee has agreed to reimburse the Dealer Manager for certain reasonable out-of-pocket expenses incurred in connection with the Offer and to indemnify the Dealer Manager against certain liabilities.

The Dealer Manager has undertaken to form a soliciting dealer group comprising members of the Investment Industry Regulatory Organization of Canada and members of the TSX to solicit tenders to the Offer from Shareholders resident in Canada. Each member of the soliciting dealer group is referred to herein as a "**Soliciting Dealer**". Dundee has agreed to pay the Soliciting Dealer whose name appears on the applicable Letter of Transmittal a fee of \$0.075 per Subordinate Voting Share deposited and acquired by Dundee under the Offer. The aggregate amount payable to a Soliciting Dealer with respect to any single beneficial owner account whose Subordinate Voting Shares were deposited will be a minimum of \$100 and a maximum of \$1,500. The Corporation will not be required to pay a fee to more than one Soliciting Dealer in respect of any one beneficial owner of Subordinate Voting Shares. Dundee may require the Soliciting Dealers to furnish evidence of beneficial ownership satisfactory to the Corporation at the time of deposit.

Assuming the maximum number of Subordinate Voting Shares is purchased under the Offer, Dundee is expected to incur expenses of approximately \$650,000 in connection with the Offer, which includes filing fees, legal, accounting, Depositary, translation and printing fees, dealer manager fees, and the fees of GMP for the Liquidity Opinion. Such fees and expenses will be paid by Dundee from available cash on hand.

STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides Shareholders with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to the Shareholders. However, such rights must be exercised within prescribed time limits. Shareholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

APPROVAL AND CERTIFICATE

September 13, 2011

The Board of Directors of Dundee Corporation (the “**Corporation**”) has approved the contents of the Offer to Purchase and the accompanying Issuer Bid Circular dated September 13, 2011 and the sending, communicating or delivery of the Offer to Purchase and the Issuer Bid Circular to the holders of Class A Subordinate Voting Shares of the Corporation. The Offer to Purchase and the Issuer Bid Circular contain no untrue statement of a material fact and do not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

(Signed) NED GOODMAN

(Signed) LUCIE PRESOT

President and
Chief Executive Officer

Vice President and
Chief Financial Officer

On behalf of the Board of Directors:

(Signed) HAROLD P. GORDON

(Signed) GARTH A.C. MACRAE

Director

Director

CONSENT OF STIKEMAN ELLIOTT LLP

TO: The Board of Directors of Dundee Corporation

We consent to the reference to our opinion contained under “Issuer Bid Circular — Certain Canadian Federal Income Tax Considerations” in the issuer bid circular dated September 13, 2011 of Dundee Corporation in connection with its offer to the holders of its Class A Subordinate Voting Shares, and the inclusion of the foregoing opinion in the issuer bid circular.

September 13, 2011

(Signed) Stikeman Elliott LLP

CONSENT OF GMP

TO: The Board of Directors of Dundee Corporation

We consent to the inclusion of our name and the reference to our opinion dated September 13, 2011 under “Issuer Bid Circular — Purpose and Effect of the Offer” and to the inclusion of the text of our opinion in Schedule A to the Offer, which schedule is incorporated by reference in the Offer.

September 13, 2011

(Signed) GMP Securities L.P.

SCHEDULE A - OPINION OF GMP SECURITIES L.P.

Please see attached.



Securities
Griffiths McBurney

GMP Securities L.P.
145 King Street West, Suite 300
Toronto, ON M5H 1J8
Tel: (416) 367-8600 Fax: (416) 367-8164

September 13, 2011

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

and to

The Board of Directors of
Dundee Corporation
1 Adelaide Street East 28th Floor
Toronto, Ontario
M5C 2V9 Canada

LIQUIDITY OPINION OF GMP SECURITIES L.P.

GMP Securities L.P. ("GMP") understands that Dundee Corporation (the "Company") intends to make a substantial issuer bid (the "Offer") to purchase for cash up to 10,000,000 of the issued and outstanding Class A Subordinated Voting Shares (the "Shares") of the Company at a price per Share of \$23.75 (the "Purchase Price"). GMP understands that as at September 9, 2011 there were 61,728,868 Shares issued and outstanding and that up to 10,000,000 of Shares will be taken up and paid for. GMP also understands that the terms and conditions of the Offer will be set forth in the offer to purchase and the issuer bid circular to be prepared by the Company and to be dated September 13, 2011 in connection with the Offer and the related letter of transmittal and notice of guaranteed delivery (which together constitute the "Offer Documents"). Capitalized terms used herein, unless defined otherwise, have the same meaning as used in the Offer.

In addition, we understand that the Offer will constitute an "issuer bid" for purposes of *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions* ("MI 61-101").

ENGAGEMENT OF GMP

By letter agreement dated September 12, 2011 (the "Engagement Letter"), the Company engaged GMP to prepare and deliver a written opinion (the "Liquidity Opinion") to the Company and the board of directors of the Company (the "Board") as to (i) whether a liquid market exists for the Shares as at the date the Offer is publicly announced and as at the date hereof, and (ii) whether it is reasonable to conclude that, following completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. The Liquidity Opinion is delivered in connection with assisting the Board in making its determination that the Offer qualifies for the "liquid market" exemption from the valuation requirements of MI 61-101 pursuant to subsection 3.4(b) thereof.

GMP will receive a fee from the Company for its services for providing the Liquidity Opinion. Such fee is payable whether or not the Offer is successful. In addition, the Company has agreed to reimburse

GMP for our reasonable out-of-pocket expenses and to indemnify GMP for certain liabilities arising out of GMP's engagement.

GMP has also been engaged to act as Dealer Manager in connection with the Offer and will receive fees for such services and is not independent of the Company within the meaning of MI 61-101.

In the ordinary course of business, GMP may actively trade securities of the Company and its affiliates for our own account and for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

CREDENTIALS OF GMP

GMP is a wholly-owned subsidiary of GMP Capital Corp., a publicly listed company on the Toronto Stock Exchange. GMP has offices in Toronto, Calgary, Montreal, London in UK, Perth and Sydney in Australia, which provide research, corporate finance advice and services, and engage in trading and investment banking. GMP regularly engages in the valuation of securities and the preparation of fairness opinions in connection with mergers and acquisitions, public offerings and private placements of listed and unlisted securities and regularly engages in market making, underwriting and secondary trading of securities in connection with a variety of transactions. GMP is not in the business of providing auditing services and is not controlled by a financial institution.

RELATIONSHIP OF GMP WITH THE COMPANY

1. In the past 24 months, GMP has not been engaged to provide a valuation of the Company or any of its associates or affiliates.
2. Prior to entering into the Engagement Letter, GMP has provided various financial advisory services to the Company in connection with transactions unrelated to the Offer. The fees payable to GMP under the Engagement Letter are not financially material to GMP and GMP has not otherwise had a material financial interest in a transaction involving the Company. Moreover, the amount payable to GMP pursuant to the Engagement Letter does not depend in whole or in part on an agreement, arrangement or understanding that gives GMP a financial incentive in respect of the conclusions reached in the Liquidity Opinion or the outcome of the Offer and GMP has no material financial interest in the completion of the Offer.
3. Neither GMP nor any of its affiliated entities has a material financial interest in future business under an agreement, commitment or understanding involving the Company, an interested party or an associated or affiliated entity of the Company or interested party.
4. GMP may, in the future, in the ordinary course of its business, perform valuation, financial advisory or investment banking services for the Company or any of its associates or affiliates. GMP acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had, and may in the future have, positions in the securities of the Company or its associates or affiliates and, from time to time, may have executed, or may execute, transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, GMP conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company or its associates or affiliates or the Offer. GMP has no current agreement, understanding or arrangement with the Company regarding the provision of future services.

SCOPE OF REVIEW

In preparing the Liquidity Opinion, we have reviewed and relied upon or carried out (without attempting to verify independently the completeness or accuracy thereof), among other things, the following:

1. the most recent draft dated September 12, 2011 of the Offer Documents;
2. the trading activity, volumes, and price history of the Shares on the Toronto Stock Exchange (the "TSX") over the last 12 months;
3. the trading activity and volumes of shares and units of certain other companies or entities listed and traded on the TSX;
4. the distribution of ownership of the Shares to the extent publicly disclosed or provided to us by the Company;
5. the number of Shares proposed to be purchased under the Offer relative to (i) the number of outstanding Shares less (ii) the number of Shares owned by related parties of the Company and Shares or blocks thereof that are known by us to be not freely tradeable;
6. other public information with respect to the Company;
7. discussions with senior management of the Company;
8. the parameters set out in MI 61-101 that quantify the basis on which a liquid market is deemed to exist in respect of a class of securities;
9. precedent issuer bids that we considered relevant; and
10. such other information as we considered necessary or appropriate in the circumstances.

We have conducted such additional analyses and investigations as we considered to be appropriate in the circumstances for the purpose of arriving at the opinion contained in the Liquidity Opinion as at date hereof.

ASSUMPTIONS AND LIMITATIONS

The Liquidity Opinion is rendered on the basis of securities market, economic and general business and financial conditions prevailing as at the date hereof, and conditions affecting the Company and the Shares as at the date hereof. In formulating the Liquidity Opinion, we have made several other assumptions, the material assumption being that there shall be no significant change in the holdings of Shares other than as a result of purchases by the Company under the Offer. We have also assumed that there will be no material adverse change in general market conditions or in the market conditions pertaining to the Shares following the date hereof.

GMP has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions or representations obtained by it from public sources, senior management of the Company and their consultants and advisors (collectively the "Information"). The Liquidity Opinion is conditional upon such completeness, accuracy and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein,

we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

We have not prepared a formal valuation of the Company or any of its securities or assets and the Liquidity Opinion should not be construed as such. The Liquidity Opinion does not constitute an opinion concerning the fairness, from a financial point of view, of the consideration offered to holders of Shares pursuant to the Offer.

The Liquidity Opinion is not to be construed as a recommendation to any shareholder of the Company as to whether or not to tender its Shares under the Offer. In addition, we are not expressing any opinion as to the value of the Shares, or the prices at which such Shares will trade after the completion of the Offer.

The Liquidity Opinion has been provided to the Company and the Board for use only in determining the availability of an exemption from the formal valuation requirements of MI 61-101 and may not be relied upon for any other purpose or by any other person without the prior written consent of GMP. The Liquidity Opinion is given as of the date hereof and GMP disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Liquidity Opinion which may come or be brought to the attention of GMP after the date hereof. Without limiting the foregoing, if, after the date hereof, we learn of any material change in any fact or matter affecting the Liquidity Opinion, GMP reserves the right to change, modify or withdraw the Liquidity Opinion.

GMP consents to the inclusion in the Offer Documents of the Liquidity Opinion and further consents, subject to its review and approval acting reasonably, to the inclusion in the Offer Documents of summaries of the Liquidity Opinion. GMP shall bear no responsibility for the form or content of the Offer Documents other than for the Liquidity Opinion.

For the purposes of the Liquidity Opinion we have considered, among other things, the meaning ascribed to the term "liquid market" in paragraph 1.2(1)(a) of MI 61-101. The term "liquid market" is defined for the purposes of the Liquidity Opinion as a market for the Shares with sufficient breadth and depth to provide a reasonable opportunity for investors to buy and sell the Shares (assuming market conditions and trading volumes that are not affected by extraordinary circumstances) without materially impacting the market price of the Shares.

CONCLUSION

Based upon and subject to the foregoing, it is our opinion as at the date hereof that:

1. a liquid market existed for the Shares at the time the Offer was announced and as at the date hereof; and
2. it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer.

Yours very truly,

GMP SECURITIES L.P.



The Letter of Transmittal, certificates for Subordinate Voting Shares, any other required documents and, if applicable, the Notice of Guaranteed Delivery, must be sent or delivered by each depositing Shareholder or the depositing Shareholder's investment dealer, stock broker, bank manager, trust company or other nominee to the Depository at its address specified below.

Office of the Depository, for this Offer:



By Mail

Computershare Investor Services Inc.
P.O. Box 7021
31 Adelaide Street East
Toronto, Ontario M5C 3H2

Attention: Corporate Actions

Telephone (outside North America): 1 (514) 982-7555
Toll Free (within North America): 1 (800) 564-6253
Email: corporateactions@computershare.com

By Registered Mail, Hand or Courier

Computershare Investor Services Inc.
100 University Avenue
9th Floor
Toronto, Ontario M5J 2Y1
Attention: Corporate Actions

Any questions or requests for assistance may be directed to the Depository or the Dealer Manager at the addresses and telephone numbers specified above. Shareholders also may contact their investment dealer, stock broker, bank manager, trust company or other nominee for assistance concerning the Offer. Additional copies of the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depository. Manually executed photocopies of the Letter of Transmittal and the Notice of Guaranteed Delivery will be accepted.

The Dealer Manager for the Offer is:



GMP Securities L.P.

145 King Street West
Suite 300
Toronto, Ontario
M5H 1J8

Telephone: 416-943-6130
Fax: 416-943-6134
E-mail: ecm@gmpsecurities.com