DUNDEE CORPORATION

**CONSOLIDATED FINANCIAL STATEMENTS**

**AS AT AND FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

# Independent auditor's report

To the Shareholders of Dundee Corporation

## Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Dundee Corporation and its subsidiaries (together, the Corporation) as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

**What we have audited**
The Corporation's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of operations for the years then ended;
- the consolidated statements of comprehensive (loss) income for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flow for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**
We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Valuation of TauRx Pharmaceuticals Ltd.**<br><br>*Refer to note 4 – Critical accounting judgments, estimates and assumptions, note 5 – Portfolio investments and note 6 – Financial instruments to the consolidated financial statements.*<br><br>The Corporation's investment in TauRx Pharmaceuticals Ltd. totalling $65.5 million as at December 31, 2023 was categorized as level 3 within the fair value hierarchy. For this investment, management used the discounted cash flow technique to determine the fair value. Management is required to use its own assumptions regarding unobservable inputs as there is little, if any, market activity in these instruments or related observable inputs that can be corroborated at the measurement date. Significant unobservable inputs used included the discount rate and probability of success.<br><br>We considered this a key audit matter due to the judgment applied by management in determining the fair value. This in turn led to a high degree of auditor judgment and subjectivity in performing procedures to test the fair value determined by management. Professionals with specialized skill and knowledge in the field of valuation assisted us in performing our procedures. | Our approach to addressing the matter included the following procedures, among others:<br><br>• With the assistance of professionals with skill and knowledge in the field of valuation, developed an independent point estimate of the fair value for the private investment, which included the following:<br>– Developed independent assumptions related to market comparables by considering relevant market and industry data and prices on recent transactions.<br>– Tested the underlying data used in developing the independent point estimate.<br>– Compared the independent point estimate to management's estimate to evaluate the reasonableness of management's estimate.<br>– Evaluated the sufficiency of the related disclosures in the consolidated financial statements. |

## Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Catriona Read.

**/s/PricewaterhouseCoopers LLP**

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 27, 2024

# DUNDEE CORPORATION
# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

*As at December 31, 2023 and 2022*
*(expressed in thousands of Canadian dollars)*

| | Note | | 2023 | | 2022 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and cash equivalents | 22 | $ | 26,337 | $ | 47,181 |
| Accounts receivable and other | | | 3,562 | | 6,146 |
| Deposit with taxation authority | 24 | | 12,174 | | 12,174 |
| Income taxes receivable | | | - | | 518 |
| Portfolio investments | 5 | | 195,153 | | 236,053 |
| Equity accounted investments | 7 | | 47,555 | | 61,859 |
| Royalty and other intangible assets | 7, 10 | | 22,217 | | 4,977 |
| Capital and right-of-use assets | 11 | | 2,744 | | 3,513 |
| Assets held-for-sale | 8 | | - | | 1,801 |
| **TOTAL ASSETS** | | **$** | **309,742** | **$** | **374,222** |
| **LIABILITIES** | | | | | |
| Accounts payable and accrued liabilities | | $ | 6,663 | $ | 10,320 |
| Income taxes payable | | | 767 | | - |
| Corporate debt | 12 | | 19,043 | | 5,730 |
| Lease liabilities | 13 | | 1,882 | | 2,941 |
| Deferred income tax liabilities | 20 | | - | | 3,247 |
| Liabilities held-for-sale | 8 | | - | | 1,580 |
| | | | 28,355 | | 23,818 |
| **SHAREHOLDERS' EQUITY** | | | | | |
| Share capital | | | | | |
| Common shares | 15 | | 282,190 | | 281,150 |
| Preference Shares, series 2 | 14 | | 27,667 | | 27,667 |
| Preference Shares, series 3 | 14 | | 18,125 | | 50,423 |
| Contributed surplus | | | 24,348 | | 23,162 |
| Reserves for changes in equity of subsidiaries | | | (59,618) | | (64,024) |
| (Deficit) retained earnings | | | (18,698) | | 19,457 |
| Accumulated other comprehensive income | 15 | | 16,134 | | 16,305 |
| | | | 290,148 | | 354,140 |
| **NON-CONTROLLING INTEREST** | 16 | | (8,761) | | (3,736) |
| | | | 281,387 | | 350,404 |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | | **$** | **309,742** | **$** | **374,222** |

*The accompanying notes are an integral part of these consolidated financial statements.*

**Commitments, Contingencies and Off-balance Sheet Arrangements (note 24)**

**Approved by the Board:**

*(s)* Peter Nixon
Director

*(s)* Isabel Meharry
Director

# DUNDEE CORPORATION
# CONSOLIDATED STATEMENTS OF OPERATIONS

*For the years ended December 31, 2023 and 2022*
*(expressed in thousands of Canadian dollars, except for per share amounts)*

| | *Note* | | 2023 | | 2022 |
|---|---|---|---|---|---|
| Net (loss) income from portfolio investments | 5, 26 | $ | (22,960) | $ | 53,565 |
| Share of (loss) income from equity accounted investments | 7, 26 | | (5,485) | | 4,280 |
| Gain on exchange of equity accounted investment for royalty interest | 7 | | 2,256 | | - |
| Revenues and other income | 17, 26 | | 6,792 | | 8,654 |
| Total Income | | | (19,397) | | 66,499 |
| **Other Items in Net (Loss) Earnings** | | | | | |
| Cost of sales | 26 | | (1,959) | | (3,072) |
| Depreciation and amortization | 10, 11 | | (2,018) | | (1,060) |
| Impairment charge | 10 | | - | | (783) |
| General and administrative expenses | 19, 26 | | (16,058) | | (25,335) |
| Fair value changes related to contingent consideration | | | (221) | | (1,528) |
| Interest expense | 12, 13 | | (813) | | (1,027) |
| Foreign exchange | | | 190 | | 928 |
| **NET (LOSS) EARNINGS BEFORE INCOME TAXES** | | | (40,276) | | 34,622 |
| Income tax recovery (expense) | 20 | | 1,092 | | (5,629) |
| **NET (LOSS) EARNINGS FROM CONTINUING OPERATIONS** | | | (39,184) | | 28,993 |
| **DISCONTINUED OPERATIONS** | 8 | | | | |
| AgriMarine Holdings Inc.'s aquaculture operations | | | (248) | | (13,006) |
| **NET (LOSS) FROM DISCONTINUED OPERATIONS** | | | (248) | | (13,006) |
| **NET (LOSS) EARNINGS FOR THE YEAR** | | **$** | **(39,432)** | **$** | **15,987** |
| **NET (LOSS) EARNINGS ATTRIBUTABLE TO:** | | | | | |
| Owners of the Corporation | | | | | |
| Continuing operations | | $ | (38,565) | $ | 30,113 |
| Discontinued operations | | | (248) | | (13,006) |
| | | | (38,813) | | 17,107 |
| Non-controlling interest | | | | | |
| Continuing operations | | | (619) | | (1,120) |
| | | | (619) | | (1,120) |
| | | **$** | **(39,432)** | **$** | **15,987** |
| **BASIC NET (LOSS) EARNINGS PER SHARE** | 21 | | | | |
| Continuing operations | | $ | (0.43) | $ | 0.30 |
| Discontinued operations | | | - | | (0.15) |
| | | $ | (0.43) | $ | 0.15 |
| **DILUTED NET (LOSS) EARNINGS PER SHARE** | 21 | | | | |
| Continuing operations | | $ | (0.43) | $ | 0.29 |
| Discontinued operations | | | - | | (0.15) |
| | | $ | (0.43) | $ | 0.14 |

*The accompanying notes are an integral part of these consolidated financial statements.*

# DUNDEE CORPORATION
# CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

*For the years ended December 31, 2023 and 2022*
*(expressed in thousands of Canadian dollars)*

| | *Note* | | 2023 | | 2022 |
|---|---|---|---|---|---|
| **NET (LOSS) EARNINGS FOR THE YEAR** | | $ | (39,432) | $ | 15,987 |
| Other comprehensive (loss) income: | | | | | |
| **Items that may be reclassified to net (loss) earnings** | | | | | |
| Unrealized gain from foreign currency translation | | | 58 | | 219 |
| Share of other comprehensive (loss) income from equity accounted investments | | | (687) | | 2,527 |
| Tax recovery (expense) associated with equity accounted investments | | | 182 | | (670) |
| Transfer of realized foreign currency translation loss (gain) related to equity accounted investment, net of tax recovery of $100 (2022 – $14), to net (loss) earnings | | | 276 | | (40) |
| Total other comprehensive (loss) income from continuing operations | | | (171) | | 2,036 |
| **COMPREHENSIVE (LOSS) INCOME FOR THE YEAR** | | **$** | **(39,603)** | **$** | **18,023** |
| **COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:** | | | | | |
| Owners of the Corporation | | | | | |
| Continuing operations | | $ | (38,736) | $ | 32,132 |
| Discontinued operations | | | (248) | | (13,006) |
| | | | (38,984) | | 19,126 |
| Non-controlling interest | | | | | |
| Continuing operations | | | (619) | | (1,103) |
| | | | (619) | | (1,103) |
| | | **$** | **(39,603)** | **$** | **18,023** |

*The accompanying notes are an integral part of these consolidated financial statements.*

# DUNDEE CORPORATION
# CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

*For the years ended December 31, 2023 and 2022*
*(expressed in thousands of Canadian dollars)*

| | | | Attributable to Owners of the Parent | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | *Note* | Number of Common Shares | Common Shares | Preference Shares, Series 2 | Preference Shares, Series 3 | Contributed Surplus | Reserves for Changes in Equity of Subsidiaries | (Deficit) Retained Earnings | Accumulated Other Comprehensive Income | Non-controlling Interest | Total |
| Balance, December 31, 2021 | | 87,811,854 | $ 280,863 | $ 27,667 | $ 50,423 | $ 20,497 | $ (64,996) | $ 6,550 | $ 14,286 | $ (2,398) | $ 332,892 |
| **For the year ended December 31, 2022** | | | | | | | | | | | |
| Net earnings (loss), continuing operations | | - | - | - | - | - | - | 30,113 | - | (1,120) | 28,993 |
| Net (loss), discontinued operations | | - | - | - | - | - | - | (13,006) | - | - | (13,006) |
| Other comprehensive income, continuing operations | | - | - | - | - | - | - | - | 2,019 | 17 | 2,036 |
| Acquisition of Class A subordinate shares for cancellation | 15 | (46,692) | (152) | - | - | - | - | 90 | - | - | (62) |
| Dividends on Preference Shares, series 2 | 14 | - | - | - | - | - | - | (1,518) | - | - | (1,518) |
| Dividends on Preference Shares, series 3 | 14 | - | - | - | - | - | - | (2,772) | - | - | (2,772) |
| Stock-based compensation | 18 | 317,419 | 439 | - | - | 2,665 | - | - | - | - | 3,104 |
| Changes of ownership interest in subsidiaries | 9 | - | - | - | - | - | 972 | - | - | (235) | 737 |
| Balance, December 31, 2022 | | 88,082,581 | 281,150 | 27,667 | 50,423 | 23,162 | (64,024) | 19,457 | 16,305 | (3,736) | 350,404 |
| **For the year ended December 31, 2023** | | | | | | | | | | | |
| Net (loss), continuing operations | | - | - | - | - | - | - | (38,565) | - | (619) | (39,184) |
| Net (loss), discontinued operations | | - | - | - | - | - | - | (248) | - | - | (248) |
| Other comprehensive (loss), continuing operations | | - | - | - | - | - | - | - | (171) | - | (171) |
| Acquisition and cancellation of Preference Shares, series 3 | 14 | - | - | - | (32,298) | - | - | 5,834 | - | - | (26,464) |
| Dividends on Preference Shares, series 2 | 14 | - | - | - | - | - | - | (1,518) | - | - | (1,518) |
| Dividends on Preference Shares, series 3 | 14 | - | - | - | - | - | - | (3,658) | - | - | (3,658) |
| Stock-based compensation | 18 | 864,715 | 1,040 | - | - | 1,186 | - | - | - | - | 2,226 |
| Changes of ownership interest in subsidiaries | 9 | - | - | - | - | - | 4,406 | - | - | (4,406) | - |
| **Balance, December 31, 2023** | | **88,947,296** | **$ 282,190** | **$ 27,667** | **$ 18,125** | **$ 24,348** | **$ (59,618)** | **$ (18,698)** | **$ 16,134** | **$ (8,761)** | **$ 281,387** |

*The accompanying notes are an integral part of these consolidated financial statements.*

# DUNDEE CORPORATION
# CONSOLIDATED STATEMENTS OF CASH FLOW

*For the years ended December 31, 2023 and 2022*
*(expressed in thousands of Canadian dollars)*

| | *Note* | | 2023 | | 2022 |
|---|---|---|---|---|---|
| **OPERATING ACTIVITIES:** | | | | | |
| Net (loss) earnings for the year | | $ | (39,432) | $ | 15,987 |
| Adjusted for: | | | | | |
| Net (loss) from discontinued operations | | | 248 | | 13,006 |
| Items not affecting cash and other adjustments | 22 | | 27,149 | | (45,766) |
| Changes in non-cash working capital items | 22 | | (2,973) | | (5,167) |
| Cash used in operating activities – continuing operations | | | (15,008) | | (21,940) |
| Cash (used in) provided from operating activities – discontinued operations | | | (17) | | 1,026 |
| CASH USED IN OPERATING ACTIVITIES | | | (15,025) | | (20,914) |
| **INVESTING ACTIVITIES:** | | | | | |
| Release from escrow related to the sale of beef division | | | 3,071 | | 2,267 |
| Acquisitions of portfolio investments | 5 | | (16,910) | | (34,186) |
| Proceeds from portfolio investments | 5 | | 25,280 | | 16,731 |
| Acquisitions of equity accounted investments | 7 | | (1,575) | | (7,492) |
| Proceeds from dispositions of equity accounted investment | | | - | | 46 |
| Cash distribution from real estate joint venture | 7 | | 2,500 | | 3,093 |
| Change in capital and right-of-use assets | | | 581 | | (526) |
| Cash provided from (used in) investing activities – continuing operations | | | 12,947 | | (20,067) |
| Cash used in investing activities – discontinued operations | | | (5) | | (321) |
| CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES | | | 12,942 | | (20,388) |
| **FINANCING ACTIVITIES:** | | | | | |
| Drawdown from corporate debt | 12 | | 20,000 | | 360 |
| Repayment of corporate debt, including transaction costs of $578 (2022 – $0) | 12 | | (6,889) | | (157) |
| Cash payment on lease liabilities | 13 | | (428) | | (1,028) |
| Issuance of Subordinate Shares, net of issue costs | 15 | | 174 | | - |
| Acquisition of Subordinate Shares | 15 | | - | | (62) |
| Acquisition of Preference Shares, series 3, including transaction costs of $264 | 14 | | (26,464) | | - |
| Issuance of shares in subsidiaries to non-controlling interests | 9 | | - | | 635 |
| Dividends paid on Preference Shares, series 2 | 14 | | (1,518) | | (1,518) |
| Dividends paid on Preference Shares, series 3 | 14 | | (3,658) | | (2,772) |
| Cash used in financing activities – continuing operations | | | (18,783) | | (4,542) |
| Cash used in financing activities – discontinued operations | | | (168) | | (638) |
| CASH USED IN FINANCING ACTIVITIES | | | (18,951) | | (5,180) |
| **NET DECREASE IN CASH DURING THE YEAR** | | | (21,034) | | (46,482) |
| Cash and cash equivalents, continuing operations, beginning of year | | | 47,181 | | 93,853 |
| Cash, discontinued operations, beginning of year | | | 190 | | - |
| | | | 26,337 | | 47,371 |
| Less: Cash, discontinued operations, end of year | | | - | | (190) |
| **CASH AND CASH EQUIVALENTS, END OF YEAR** | 22 | **$** | **26,337** | **$** | **47,181** |
| Cash flows from continuing operations include the following amounts: | | | | | |
| Interest paid | | $ | 138 | $ | 502 |
| Taxes paid | | $ | 798 | $ | 1,892 |
| Cash flows from discontinued operations include the following amounts: | | | | | |
| Interest paid | | $ | 17 | $ | 196 |

*The accompanying notes are an integral part of these consolidated financial statements.*

# DUNDEE CORPORATION
# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2023 and 2022
Tabular dollar amounts in thousands of Canadian dollars, except per share amounts

## 1. NATURE OF OPERATIONS

Dundee Corporation (the "Corporation") is a public Canadian independent holding company, listed on the Toronto Stock Exchange ("TSX") under the symbol "DC.A". The Corporation is a mining-focused investor primarily engaged in acquiring mineral resource assets. The Corporation operates with the objective of unlocking value through strategic investments in mining projects globally. Our team conducts due diligence in order to assess the geological, technical and financial merits and risks of each project and looks to deploy capital where it can either seek to generate investment returns or where the Corporation can collaborate with operating partners and take strategic partnerships through direct interests in mining operations.

The Corporation is incorporated under the *Business Corporations Act (Ontario)* and is domiciled in Canada. The Corporation's head office is located at 80 Richmond Street West, Suite 2000, Toronto, Ontario, Canada, M5H 2A4.

At December 31, 2023 and 2022, the Corporation's operations included:

| As at and for the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| (in alphabetical order) | Opening Ownership | Ending Ownership | Opening Ownership | Ending Ownership |
| **Joint Venture Arrangement** | | | | |
| Borborema Inc. (note 7) | 20% | 0% | 0% | 20% |
| **Significant Operating Subsidiaries** | | | | |
| Dundee Resources Limited | 100% | 100% | 100% | 100% |
| Dundee Sustainable Technologies Inc. | 78% | 78% | 82% | 78% |
| Goodman & Company, Investment Counsel Inc. | 100% | 100% | 100% | 100% |

## 2. BASIS OF PREPARATION

These consolidated financial statements of the Corporation as at and for the year ended December 31, 2023 ("2023 Consolidated Financial Statements"), with comparative information as at and for the year ended December 31, 2022, have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The 2023 Consolidated Financial Statements were authorized for issuance by the Board of Directors on March 27, 2024.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted by the Corporation in the preparation of its consolidated financial statements are set out below.

**Principles of Consolidation**

These consolidated financial statements include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in these consolidated financial statements. Subsidiaries are those entities where the Corporation, through its investment in the entity, is exposed or has rights to variable returns from its involvement with the investee, and has the ability to affect those returns through its control over the investee. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases.

**Non-controlling Interest**

Non-controlling interest is initially recognized as the proportionate share of the identifiable net assets of a subsidiary on the date of its acquisition and is subsequently adjusted for the non-controlling interest's share in changes of the acquired subsidiary's earnings or losses and capital. Effects of transactions with non-controlling interests are recorded in equity if there is no change in control.

**Segmented Reporting**

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker has been identified as the President and Chief Executive Officer of the Corporation.

**Equity Accounted Investments**

Equity accounted investments are investments over which the Corporation has significant influence but not control, or, alternatively, joint arrangements classified as joint ventures. Generally, the Corporation is considered to exert significant influence when it holds more than a 20% interest in an entity. However, determining significant influence is a matter of judgment and specific circumstances and, from time to time, the Corporation may hold an interest of more than 20% in an entity without exerting significant influence. Conversely, the Corporation may hold an interest of less than 20% and exert significant influence through representation on the board of directors, direction of management or through contractual agreements. The financial results of the Corporation's equity accounted investments are included in the Corporation's consolidated financial statements using the equity method, whereby the Corporation recognizes its share of earnings or losses and of other comprehensive income or loss ("OCI") of the underlying equity accounted investment in its own net loss or OCI, as applicable. Dilution gains and losses arising from changes in the Corporation's interest in equity accounted investments are recognized in net loss. If the Corporation's carrying value in an equity accounted investment is reduced to zero, additional losses are not provided for and a liability is not recognized, unless the Corporation has incurred legal or constructive obligations, or made payments on behalf of the equity accounted investment.

The Corporation assesses, at each reporting date, whether there is objective evidence that its interest in an equity accounted investment is impaired. If impaired, the carrying value of the Corporation's share of the underlying assets of the equity accounted investment is written down to its estimated recoverable amount, with any difference charged to the consolidated statements of operations.

**Discontinued Operations and Assets Held-for-Sale**

The Corporation may dispose of a group of assets, possibly with some directly associated liabilities, together in a single transaction. Assets are classified as held-for-sale if it is highly probable that their value will be recovered primarily through a sale rather than through continued usage. These assets are recorded at the lower of carrying value and fair value, less costs to sell. Impairment losses on the initial classification of held-for-sale and subsequent gains and losses on remeasurement are recognized in the consolidated statements of operations, under discontinued operations. Once classified as held-for-sale, property, plant and equipment are no longer amortized. The directly associated liabilities are separately classified as liabilities held-for-sale.

A discontinued operation is a component of the Corporation that has been disposed of or is classified as held-for-sale and represents a separate major line of business or geographic area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Results of operations associated with discontinued operations, including any gain or loss from disposal, are recognized in the consolidated statements of operations, under discontinued operations.

**Foreign Currency Translation**

*Functional and Presentation Currency*
These consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

*Functional Currency of Subsidiaries and Equity Accounted Investments*
The financial statements of consolidated subsidiaries and equity accounted investments that have a functional currency that is different from that of the Corporation are translated into Canadian dollars using average rates for the period for items included in the consolidated statements of operations and OCI and the rates in effect at the dates of the consolidated statements of financial position for assets and liabilities. All resulting changes are recognized in OCI as unrealized gain or loss from foreign currency translation. At December 31, 2023 and 2022, the functional currency of certain of the Corporation's equity accounted investments was the U.S. dollar and Euro.

If the Corporation's interest in foreign operations of a subsidiary or an equity accounted investment is diluted, but the foreign operations remain a subsidiary or an equity accounted investment, a pro rata portion of the cumulative translation adjustment related to those foreign operations is reallocated between controlling and non-controlling interest in the case of a subsidiary, or is recognized as a dilution gain or loss in the case of an equity accounted investment. When the Corporation disposes of its entire interest in foreign operations, or when it loses control, joint control, or significant influence in respect of an investment denominated in foreign currency, the related cumulative translation adjustment included in accumulated other comprehensive income ("AOCI") is recognized in the consolidated statements of operations.

*Foreign Currency Transactions*
Foreign currency transactions are translated into the Corporation's functional currency using exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in currencies other than an entity's functional currency at the rates in effect at each period-end date, are recognized in the consolidated statements of operations, except when deferred in OCI as qualifying cash flow hedges and qualifying net investment hedges.

**Financial Instruments**
The Corporation's financial instruments include cash and cash equivalents, accounts receivable, investments, derivative financial instruments, accounts payable and accrued liabilities and corporate debt.

*Classification*
The Corporation classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL") or at amortized cost. The Corporation determines the classification of financial assets at initial recognition based on the Corporation's business model for managing the financial assets and their contractual cash flow characteristics.

The Corporation classifies its investments in equity securities, debt securities and warrants as FVTPL. Financial liabilities at amortized cost include accounts payable and accrued liabilities and corporate debt.

*Initial Recognition and Measurement*
Financial assets and liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or are assigned and the Corporation has transferred substantially all risks and rewards of ownership in respect of the asset. Financial liabilities are derecognized when the related obligation is discharged, cancelled or expires.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of operations. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of operations in the period in which they arise.

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

**Resource Assets**

*Exploration and Evaluation Activities*
Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. These expenditures include costs associated with prospecting, sampling, mapping, drilling, and other work involved in searching for ore. Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition. Both exploration and evaluation costs include those expenditures for an area or project for which technical feasibility and commercial viability have not yet been determined.

Previously, the Corporation capitalized all costs associated with exploration and evaluation activities, except for costs incurred before the Corporation had obtained the legal right to explore an area, in which case costs were expensed as incurred. After entering the strategic joint venture partnership, Borborema Inc., in 2022, the Corporation elected to change its accounting policy for exploration and evaluation expenditures in accordance with IFRS 6, "*Exploration for and evaluation of mineral resources*". The Corporation believes this change makes its consolidated financial statements more relevant to the economic decision-making needs of users.

The Corporation's policy is now to expense exploration and evaluation costs as incurred unless management determines that probable future economic benefits will be generated as a result of the expenditures. The Corporation will capitalize future related expenditures only once technical feasibility and commercial viability of a project has been demonstrated.

**Royalty and Other Intangible Assets**
The Corporation through a wholly-owned subsidiary holds a net smelter royalty as non-monetary consideration for the exchange of its equity interest in the Borborema Gold Project joint venture. The royalty interest was initially recognized at fair value when the transaction occurred and is classified as an intangible asset with a finite life. It is subsequently measured at cost less accumulated amortization and impairment, where amortization is calculated using the units-of-production method over the proven and probable reserves following the commencement of production. Determination of the fair value of the royalty interest was made using a discounted cash flow valuation model. The valuation model incorporates a 12-year mine plan derived from a feasibility study.

Also included in royalty and other intangible assets are intellectual properties acquired in business combinations that are depreciated on a straight-line basis over estimated useful life of 10 years from the time commerciality is achieved.

**Capital Assets**

Capital assets are recorded at cost, net of accumulated depreciation and impairment, if any, and are depreciated on a straight-line basis based on the estimated useful lives which range from 2 years to 20 years (see table below). Leasehold improvements are depreciated on a straight-line basis over the period of the lease. The Corporation reviews the depreciation methods, residual values and estimates of the useful life of each of its capital and other assets at least annually. On sale or retirement, the capital asset and its related accumulated depreciation are removed from the consolidated financial statements and any related gain or loss is reflected in net loss.

| Type of Capital Assets | Method | Period |
|---|---|---|
| Furniture and fixtures | Straight-line | 3 to 5 years |
| Computer and network equipment | Straight-line | 2 to 3 years |
| Buildings | Straight-line | 10 to 20 years |
| Equipment and other | Straight-line | 3 to 20 years |

**Leases**

The Corporation recognizes a right-of-use asset and a corresponding lease liability for all leases except for leases where the underlying assets are of low value and short-term leases with a contractual term of 12 months or less. Lease liability at the initial date of the lease represents the net present value of the lease payments, less any lease incentive receivable, including any exercise price of a purchase option if it is reasonably certain of being exercised, discounted by using the interest rate implicit in the lease or, if this cannot be readily determined, the incremental borrowing rate of the Corporation at the date of the lease. The interest calculated on the lease liability is expensed as interest expense. The right-of-use asset is equal to the lease liability plus any prepayments, less any lease incentive received, initial restoration costs and any direct costs incurred. A corresponding provision is set up for any restoration costs included in the right-of-use asset. The right-of-use asset is depreciated on a straight-line basis over the term of the lease.

**Impairment of Non-Financial Assets**

Non-financial assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss, if any, is recognized for the amount by which the carrying value of the asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of an asset’s fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (“cash generating units” or “CGUs”). If their carrying value is assessed not to be recoverable, an impairment loss is recognized.

An assessment is made, at each reporting date, as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Corporation makes an estimate of the recoverable amount and, if appropriate, reverses all or part of the impairment. If the impairment is reversed, the carrying amount of the asset is increased to the newly estimated recoverable amount. This increased carrying amount may not exceed the carrying amount that would have resulted after taking into account depreciation if no impairment loss had been recognized in the prior periods. The amount of any impairment reversal is recorded immediately in net loss for the period.

**Preference Shares**

The Corporation’s Preference Shares, series 2 and Preference Shares, series 3 (note 13) are rate reset preferred shares and are therefore not subject to provisions for settlement using a variable number of equity instruments of the Corporation, or provisions for mandatory redemption requirements. Accordingly, the Corporation classifies its Preference Shares, series 2 and Preference Shares, series 3 as equity instruments.

**Revenue Recognition**

Revenue is comprised of management and performance fees earned from asset management activities, revenue from the provision of resource services, sales of agricultural products and real estate revenues. Revenue is recognized when control over a product or service is transferred to a customer. Revenue is measured at the best estimate of the transaction price, to the extent that it is highly probable a significant reversal of the revenue recognized will not occur when the uncertainty is resolved.

*Management Fee Revenue*
Asset management fees are generally calculated as a percentage of the assets under management. These fees are recognized on an accrual basis over the period during which the related service is rendered. Performance or incentive fees are earned when the investment performance of the capital being managed exceeds established benchmarks. Performance or incentive fees are recognized at the end of the performance fee period, once the amount is established with certainty and it is highly probable a significant reversal of the revenue recognized will not occur.

*Revenue from Technical Services*
The Corporation's mining services subsidiary renders technical services to customers in the mining industry to evaluate processing alternatives using its processing facility. Revenue is recognized over time in the accounting period in which the services are rendered, when control of a service transfers to a customer by reference to stage of completion of the specific transaction, which is assessed on the basis of the actual service provided as a proportion of the total services to be provided.

*Sales of Agricultural Products*
Sales of agricultural products were recognized when control over the product had been transferred to the customer, which was the moment the product was delivered or when the customer took possession of the product. Revenue was measured at the best estimate of the transaction price, to the extent that it was highly probable a significant reversal of the revenue recognized would not occur when the uncertainty was resolved. These sales were included in discontinued operations.

*Real Estate Revenue*
Real estate revenue is comprised of consulting and management fee revenue which is recognized over time when the company meets its performance obligations under the contract.

**Cost of Sales**

*Resource Services*
Cost of sales in the provision of resource services includes administrative costs directly attributable to these activities, including labour and associated overhead.

*Agriculture*
Cost of sales included the value of livestock at the time of harvest, processing costs and other agricultural expenses incurred in raising the livestock or processing of agricultural inventory. The cost of sales was included in discontinued operations.

**Provisions**
The Corporation may record a provision when it has determined that it has a present obligation, whether legal or constructive, and where it is probable that an outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When an obligation is not probable but is reasonably possible, or is probable but the amount of loss cannot be reliably estimated, disclosure is provided in the notes to the consolidated financial statements, without a provision being recorded in the consolidated financial statements.

**Stock-Based Compensation**
The Corporation issues stock-based compensation awards to directors, employees and consultants. These arrangements include stock options and other stock-based awards such as bonus awards, performance share units and deferred share units. The Corporation uses a fair value-based method to account for stock-based compensation. The fair value of stock-based compensation, as at the date of grant, is measured using an option-pricing model and is recognized over the applicable vesting period as compensation expense, based on the number of stock-based awards expected to vest, with a corresponding increase in contributed surplus. When stock options or other stock-based compensation arrangements are exercised, the proceeds

received, together with any amount in contributed surplus, are included in share capital. The number of stock-based awards expected to vest is reviewed at least annually, with any impact being recognized immediately in net loss, with a corresponding adjustment to contributed surplus.

**Income Taxes**

The Corporation follows the balance sheet liability method to provide for income taxes on all transactions recorded in its consolidated financial statements. The balance sheet liability method requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference and for unused tax losses and unused tax credits, as applicable, at rates expected to be in effect when the asset is realized or the liability is settled.

The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in net loss in the period that includes the substantive enactment date. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

**Per Share Information**

Basic earnings per common share is computed by dividing the net loss or earnings attributable to common shareholders by the weighted average number of common shares outstanding during the year. Diluted earnings per common share, where applicable, is calculated by adjusting the weighted average number of common shares outstanding for dilutive instruments by applying the treasury stock method. The Corporation's potentially dilutive instruments are comprised of stock options, bonus awards, deferred share units and other stock-based compensatory awards granted to employees, officers, consultants and directors.

**Changes in Accounting Policies Implemented During 2023**

*IAS 1 "Presentation of Financial Statements*"

Narrow scope amendments added to improve accounting policy disclosures.

*IAS 8 "Accounting Policies, Changes in Accounting Estimates"*

Narrow scope amendments added to help differentiate between changes in accounting estimates from changes in accounting policies.

The implementation of the above-mentioned accounting policies had no material impact to the Corporation's 2023 Consolidated Financial Statements.

**Accounting Standards and Amendments to Existing Standards Issued but not yet Effective**

*IFRS 10 "Consolidated Financial Statements"*

Narrow scope amendments added to improve accounting for transactions which result in loss of control of a subsidiary. Related amendments added to *IAS 28 "Investments in Associates and Joint Ventures"* to update requirements in applying the equity method to transactions where the subsidiary does not contain a business. The effective date for the amendment is deferred indefinitely until the International Accounting Standards Board's ("IASB") research project on the equity method of accounting is completed.

*IAS 21 "The Effects of Changes in Foreign Exchange Rates"*

Amended to better define and elaborate on exchangeability of currencies. Directions are provided for estimating spot exchange rates where the currency is not exchangeable. Further disclosure requirements are identified to explain the affects to the entity's financial performance, financial position and cash flows. This amendment is effective for annual periods beginning on or after January 1, 2025.

Management is in the process of assessing the impact of the new accounting standards on the Corporation's consolidated financial statements in the current or future reporting periods

## 4. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements in accordance with IFRS Accounting Standards requires the Corporation to make judgments in applying its accounting policies and estimates and assumptions about the future. These judgments, estimates and assumptions affect the reported amounts of assets, liabilities, revenues and other items in net operating earnings or loss, and the related disclosure of contingent assets and liabilities included in the Corporation's consolidated financial statements. The Corporation evaluates its estimates on an ongoing basis. Such estimates are based on historical experience and on various other assumptions that the Corporation believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of revenues and other items in net operating earnings or loss that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The following discusses the most significant judgments, estimates and assumptions that the Corporation has made in the preparation of its consolidated financial statements.

**Going Concern Assumptions – Subsidiaries**

The financial statements of the Corporation's subsidiaries are prepared on a going concern basis, unless management of the subsidiary determines that it intends to liquidate, or that it has no realistic alternative but to do so. If it is determined that a subsidiary is not able to continue as a going concern, the financial statements of such subsidiary should be prepared using the liquidation basis of accounting, the purpose of which is to provide relevant information about an entity's resources and obligations by measuring and presenting assets and liabilities in the entity's financial statements at the estimated amount of cash that the entity expects to collect, or the amount of cash the entity expects to pay to settle its obligations during the course of liquidation. Certain of the Corporation's subsidiaries, namely Goodman & Company, Investment Counsel Inc., and Dundee Sustainable Technologies Inc. ("Dundee Technologies"), are contending with material uncertainties related to events or conditions that cast significant doubt upon each subsidiary's ability to continue as a going concern. In preparing the consolidated financial statements, management must apply judgment in evaluating whether the financial statements of each subsidiary should be prepared on a going concern basis or on a liquidation basis. The subsidiaries may be required to realize their assets and discharge their liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements. These differences could be material.

**Fair Value of Financial Instruments**

Certain financial instruments are recorded in the Corporation's consolidated statements of financial position at values that are representative of fair value. The Corporation uses valuation techniques to estimate fair value for these financial instruments. Such techniques include discounted cash flow analysis, comparable company analysis, conversion value, measurement of net asset value, and reference to prices of recent arm's length transactions of the underlying financial instrument. By their nature, these valuation models require the use of assumptions, including assessments around the health of the overall economic environment. Changes in the underlying assumptions of these models could materially impact the determination of the fair value of a financial instrument. Imprecision in determining fair value using these valuation techniques may affect the amount of net loss recorded for a particular investment in a particular period. The Corporation reviews assumptions relating to financial instruments on an ongoing basis to ensure that the basis for the determination of fair value is appropriate.

**Impairment of Equity Accounted Investments**

The Corporation assesses, at each reporting date, whether there is any objective evidence that an equity accounted investment is impaired. An equity accounted investment is tested for impairment if there is objective evidence of impairment as a result of one or more events that have occurred that may impact the estimated cash flows of the equity accounted investment. Objective evidence that an equity accounted investment may be impaired may include a significant or prolonged decline in the trading price of a publicly traded equity accounted investment to an amount below its carrying value; modifying an amount due to the Corporation on terms that are unfavourable to the Corporation; indication that an equity accounted investment is in default of obligations or will enter bankruptcy; and the disappearance of an active market for a security. The assessment of impairment of equity accounted investments requires significant judgment, where management evaluates, among other factors, the trading price of the equity accounted investment, if available, the duration and extent to which the fair value of an equity accounted investment is less than its carrying value, and the financial health of and short-term business outlook for the investments, including an assessment of the health of the overall economic environment. Different assumptions could result in significant changes to the carrying values of equity accounted investments and to the associated amounts of equity earnings from such investments.

**Subsidiaries, Equity Accounted Investments and Joint Arrangements**
The Corporation holds direct investments in various industry sectors and its ownership interest in these investments is established through diverse structures. Significant judgment is applied in assessing whether the investment structure results in control, joint control or significant influence over the operations of the investment, or whether the Corporation's investment is passive in nature. The assessment of whether the Corporation exerts control, joint control or significant influence over an investment will determine the accounting treatment for the investment and may have a significant effect on the Corporation's results of operations.

**Operating and Reporting Segments**
Significant accounting judgments may be involved in determining whether an operating segment meets the criteria of certain quantitative thresholds and share similar economic characteristics. Significant judgment may also be involved in identifying operating segments, defined as separate components of an entity: (i) that engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance; and (iii) for which discrete financial information is available.

**Income Tax**
The determination of the Corporation's income and other tax liabilities requires the interpretation of complex laws and regulations, often involving multiple jurisdictions. Judgment is required in determining whether deferred income tax assets should be recognized on the consolidated statement of financial position. Deferred income tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Corporation will generate taxable income in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each applicable jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Corporation to realize a deferred tax asset could be materially impacted.

## 5. PORTFOLIO INVESTMENTS

**Cost and Fair Value of Portfolio Investments**

| As at December 31, | | 2023 | | | | 2022 | | |
|---|---|---|---|---|---|---|---|---|
| | | Cost | | Fair Value | | Cost | | Fair Value |
| Publicly traded securities * | $ | 91,902 | $ | 95,690 | $ | 129,166 | $ | 132,365 |
| Private investments | | 147,189 | | 76,352 | | 146,501 | | 76,652 |
| Debt securities | | 29,164 | | 17,915 | | 29,649 | | 14,922 |
| Warrants and options ** | | 1,522 | | 5,196 | | 1,073 | | 12,114 |
| | **$** | **269,777** | **$** | **195,153** | **$** | **306,389** | **$** | **236,053** |

* *Publicly traded securities at December 31, 2022 included the Corporation's investments in Maritime Resources Corp. and Viva Gold Corp. which both were reclassified to equity accounted investments in December 2023 (note 7).*

** *Includes 9,259,259 warrants of Magna Mining Inc. with the fair value of $2,612,000 at December 31, 2023 (2022 – $5,819,000) (note 7).*

**Net (Loss) Income from Portfolio Investments**

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Changes in the fair value of | | | | |
| Publicly traded securities | $ | (20,762) | $ | 15,219 |
| Private investments | | (207) | | 33,650 |
| Debt securities | | 3,477 | | (5,680) |
| Warrants and options | | (7,367) | | 7,958 |
| | | (24,859) | | 51,147 |
| Interest and dividend income | | 1,899 | | 2,418 |
| | **$** | **(22,960)** | **$** | **53,565** |

## 6. FINANCIAL INSTRUMENTS

The following table summarizes those assets and liabilities that are included at their fair value in the Corporation's consolidated statements of financial position, or those assets and liabilities for which fair value is otherwise disclosed in the accompanying notes to the consolidated financial statements. These assets and liabilities have been categorized into hierarchical levels according to the significance of the inputs used in determining fair value measurements.

| Fair Value as at December 31, | | | | 2023 | | | | 2022 |
|---|---|---|---|---|---|---|---|---|
| | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total |
| **Recurring Measurements** | | | | | | | | |
| **Financial Assets** | | | | | | | | |
| Portfolio investments | | | | | | | | |
| Publicly traded securities | $ 95,647 | $ 43 | $ - | $ 95,690 | $ 132,365 | $ - | $ - | $ 132,365 |
| Private investments | - | - | 76,352 | 76,352 | - | - | 76,652 | 76,652 |
| Debt securities | - | 5,535 | 12,380 | 17,915 | - | - | 14,922 | 14,922 |
| Warrants and options | - | 5,196 | - | 5,196 | - | 12,114 | - | 12,114 |

The fair value of cash and cash equivalents, other accounts receivable, accounts payable and accrued liabilities approximates their carrying values.

*Level 1* – The fair value of financial instruments classified as Level 1 were determined by using unadjusted quoted prices for identical instruments exchanged in active markets. The fair values of publicly traded securities are based on published quotes in active markets.

*Level 2* – The fair value of financial instruments classified as Level 2 were determined by obtaining quoted market prices or executable dealer quotes for identical or similar instruments in inactive markets, or by obtaining other inputs that are observable or that can be corroborated by observable market data. The fair value of the Corporation's derivative assets is determined using a modified Black Scholes option pricing model. The fair value of the Corporation's convertible debt security classified as Level 2 is determined by obtaining a quoted market equity price to estimate the converted equity value of the security.

*Level 3* – Inputs include unobservable inputs used in the measurement of financial instruments. Management is required to use its own assumptions regarding unobservable inputs as there is little, if any, market activity in these instruments or related observable inputs that can be corroborated at the measurement date.

The Corporation has a significant portfolio of investments in debt and equity securities of private enterprises, with substantial exposure to the exploration and development of natural resources and energy sectors. The Corporation also has a single significant equity investment in a private enterprise operating in the pharmaceutical sector. These investments have been classified as Level 3 financial assets. The fair values of these private investments and debt securities at December 31, 2023 and 2022 were determined individually, using the most appropriate valuation techniques for each discrete investment. The valuation techniques employed primarily consist of, but are not limited to, the following: discounted cash flow, comparable company analysis, net asset value and prices on recent transactions. Further, in certain instances, the Corporation employed liquidity discounts.

A summary of changes in the fair value of Level 3 financial assets during 2023 and 2022 is as follows:

| For the years ended December 31, | | | 2023 | | | 2022 |
|---|---|---|---|---|---|---|
| | Private Investments | Debt Securities | Total | Private Investments | Debt Securities | Total |
| **Balance, beginning of year** | $ 76,652 | $ 14,922 | $ 91,574 | $ 45,660 | $ 23,162 | $ 68,822 |
| New investments | 2,305 | 1,137 | 3,442 | 1,607 | 100 | 1,707 |
| Proceeds from sales of investments | (2,012) | - | (2,012) | (3,477) | - | (3,477) |
| Collection of amounts due under debt arrangements | - | (1,602) | (1,602) | - | (3,515) | (3,515) |
| Transfer to Level 1 | (496) | - | (496) | (788) | - | (788) |
| Transfer from Level 1 | 110 | - | 110 | - | - | - |
| Transfer to Level 2 | - | (5,535) | (5,535) | - | - | - |
| Changes in fair values | (207) | 3,477 | 3,270 | 33,650 | (5,680) | 27,970 |
| Other | - | (19) | (19) | - | 855 | 855 |
| **Balance, end of year** | **$ 76,352** | **$ 12,380** | **$ 88,732** | **$ 76,652** | **$ 14,922** | **$ 91,574** |

The transfer from Level 3 to Level 1 represents investments in private companies that have become public companies. The transfer from Level 1 to Level 3 represents an investment in a public company whose shares are subject to a cease-trade order. Accordingly, there is no longer any publicly observable price available for this security. Other than as described above, there have been no other transfers between the fair value hierarchy levels during 2023.

*Sensitivity Analysis on Private Investments, including Debt Securities*

The following table describes the valuation technique and significant unobservable inputs and illustrates the potential impact on net (loss) earnings of various combinations of changes in unobservable inputs in the Corporation's valuation model for its financial instruments classified as Level 3 at December 31, 2023 and 2022.

| | | Fair Value at | | Input Factors at | | Sensitivity | Effect on Net Earnings at | Effect on Net Earnings at |
|---|---|---|---|---|---|---|---|---|
| Valuation Techniques | Significant Unobservable Inputs | Dec 31, 2023 | Dec 31, 2022 | Dec 31, 2023 | Dec 31, 2022 | Factor | Dec 31, 2023 | Dec 31, 2022 |
| **Discounted cash flow *** | Discount rate | $ 75,287 | $ 73,016 | 9% and 21% | 10% and 14% | 4% increase | $ (17,176) | $ (17,302) |
| | | | | | | 4% decrease | 24,380 | 24,499 |
| | Probability of success | | | 19% | 19% | 4% increase | 13,129 | 13,179 |
| | | | | | | 4% decrease | (12,023) | (12,064) |
| | Liquidity discount | | | 25% | 25% | 5% increase | 18 | 19 |
| | | | | | | 5% decrease | (18) | (19) |
| **Conversion value** | Liquidity discount | - | 4,687 | n/a | 25% | 5% increase | - | 312 |
| | | | | | | 5% decrease | - | (312) |
| **Comparable company analysis** | Selection of comparable entities | 1,272 | 4,171 | (7%) and (44%) | 9% and (58%) | 5% increase | 64 | 209 |
| | | | | | | 5% decrease | (64) | (209) |
| | Liquidity discount | | | 25% | 25% | 5% increase | 75 | 62 |
| | | | | | | 5% decrease | (75) | (63) |
| **Net asset value** | Appraisal value | 8,762 | 8,361 | n/a | n/a | n/a | - | - |
| **Prices on recent transactions** | Recent investment values | 3,411 | 1,339 | n/a | n/a | n/a | - | - |

* *The $75,287,000 fair value at December 31, 2023 determined by applying the discounted cash flow valuation method includes a $65,482,000 investment in TauRx Pharmaceuticals Ltd. ("TauRx"), a clinical-stage private neuroscience company, which is subject to significant uncertainty due to the binary nature of clinical trials and regulatory outcomes. It is reasonably possible TauRx will fail to obtain regulatory approval for its oral drug under development, and, if so, such a material adverse effect could result in the reduction of its carrying value to $nil.*

**Risk Management**

The Corporation is exposed to financial risks due to the nature of its business and the financial assets and liabilities that it holds. The Corporation's overall risk management strategy seeks to minimize potential adverse effects on the Corporation's financial performance.

***Market Risk***

Market risk is the risk that a material loss may arise from fluctuations in the fair value of a financial instrument. For purposes of this disclosure, the Corporation segregates market risk into three categories: fair value risk, interest rate risk and currency risk.

*Fair Value Risk*

Fair value risk is the potential for loss from an adverse movement, excluding movements relating to changes in interest rates and foreign exchange currency rates, because of changes in market prices. A 20% absolute change in the fair value of the Corporation's investment portfolio of securities classified as FVTPL would result in a change to net loss or earnings of $39,031,000 (2022 – $47,211,000), before associated income taxes.

*Interest Rate Risk*

Interest rate risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes to the prime interest rate. The Corporation discloses interest rate risk on its portfolio of investments designated as FVTPL as part of its sensitivity analysis on private investments, including debt securities, as disclosed above.

The Corporation is exposed to short-term interest rate risk relating to the future cash flows of the dividend payable on its PS, Series 3. The dividend payable on PS Series 3 is calculated using the quarterly floating rate based on the applicable three-month Government of Canada T-Bill rate plus 4.10%. At December 31, 2023, a 25-basis point absolute change in the three-month Government of Canada T-Bill rate would result in a change to cash flows relating to this financial instrument of $103,000 (2022 – $126,000), before associated income taxes.

The Corporation is exposed to interest rate risk on its Earlston Loan (note 12), which bears interest on prime plus 1.95% for the first 24-month period and prime plus 6.50% for the period after that. During 2023, a 25-basis point increase in the prime rate would result in a change to the Corporation's net loss relating to this financial instrument of $1,000, before associated income taxes. The debt instruments issued by the Corporation's subsidiary, Dundee Technologies, are not exposed to any interest rate risk as it bears interest at fixed rates during 2023 and 2022.

*Currency Risk*

The Corporation is exposed to foreign exchange transaction and translation risk due to the volatility of foreign exchange rates arising on its U.S.-dollar and AUD-dollar denominated cash and cash equivalents balance. A 3% absolute change in the foreign exchange translation rate of Canadian to U.S. dollars and AUD dollars would not have any material impact to the Corporation's net loss or earnings.

***Credit Risk***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's maximum exposure to credit risk related to certain financial instruments as identified below, approximates the carrying value of these assets on the Corporation's consolidated statements of financial position.

| As at | | 2023 | | 2022 |
|---|---|---|---|---|
| Cash | $ | 26,337 | $ | 47,181 |
| Accounts receivable | | | | |
| Escrow amount | | - | | 3,126 |
| Other receivable | | 1,896 | | 1,354 |
| | **$** | **28,233** | **$** | **51,661** |

***Liquidity Risk***

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to liquidity risk as it continues to have cash outflows to support its business development strategies and that of its subsidiaries and equity accounted investments. The Corporation's objective for liquidity risk management is to maintain sufficient available resources to meet commitments and obligations in a cost-effective manner. The Corporation monitors its financial position at least quarterly.

There are uncertainties related to the timing and use of the Corporation's cash resources and available borrowing capacity. The development stage of the Corporation's investments and business strategies may not generate sufficient operating cash flows to fund their obligations as they become due. As such, these obligations may require that the Corporation generate liquidity through the divestiture of investments, through the use of available borrowing capacity, or through the issuance of debt or equity. The Corporation may experience difficulty in obtaining satisfactory financial terms. Failure to obtain adequate financing on satisfactory terms may have a material adverse effect to the Corporation's results of operations or its financial condition.

The following table details the Corporation's contractual maturity for its financial liabilities. The information presented is based on the earliest date on which the Corporation may be required to settle its obligations.

| | Expected Payments Schedule | | | | | | |
|---|---|---|---|---|---|---|---|
| As at December 31, 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | Thereafter | Total |
| Accounts payable and accrued liabilities | $ 6,663 | $ - | $ - | $ - | $ - | $ - | $ 6,663 |
| Income taxes payable | 767 | - | - | - | - | - | 767 |
| Credit facility, Dundee Corporation | | | | | | | |
| Earlston Loan (i) (ii) | 1,281 | 1,289 | 14,200 | - | - | - | 16,770 |
| Credit facilities, Dundee Sustainable Technologies Inc. | | | | | | | |
| Convertible Debenture (i) | - | 5,071 | - | - | - | - | 5,071 |
| IQ Innovation Loan (i) | 323 | 289 | 258 | - | - | - | 870 |
| CED Contribution Agreement (i) | 57 | 57 | 57 | 52 | - | - | 223 |
| Leases and other commitments | 339 | 315 | 227 | 220 | 229 | 1,280 | 2,610 |
| | **$ 9,430** | **$ 7,021** | **$ 14,742** | **$ 272** | **$ 229** | **$ 1,280** | **$ 32,974** |

*(i) Including interest payments.*

*(ii) The Earlston Loan may become immediately payable upon the Corporation failing to meet certain covenants (note 12).*

| | Expected Payments Schedule | | | | | | |
|---|---|---|---|---|---|---|---|
| As at December 31, 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter | Total |
| Accounts payable and accrued liabilities | $ 10,320 | $ - | $ - | $ - | $ - | $ - | $ 10,320 |
| Credit facilities, Dundee Sustainable Technologies Inc. | | | | | | | |
| Convertible Debenture (i) | 4,887 | - | - | - | - | - | 4,887 |
| IQ Innovation Loan (i) | 309 | 301 | 292 | 261 | - | - | 1,163 |
| CED Contribution Agreement (i) | 57 | 57 | 57 | 57 | 51 | - | 279 |
| Leases and other commitments | 1,061 | 864 | 864 | 214 | 220 | 1,509 | 4,732 |
| | **$ 16,634** | **$ 1,222** | **$ 1,213** | **$ 532** | **$ 271** | **$ 1,509** | **$ 21,381** |

*(i) Including interest payments.*

***Equity Accounted Investments***

The various risk factors discussed above may also impact the Corporation's equity accounted investments and, therefore, impact future net loss or earnings and OCI. The Corporation, however, does not measure or monitor these risks in isolation.

## 7. EQUITY ACCOUNTED INVESTMENTS

| As at and for the years ended December 31, | | | 2023 | | | 2022 |
|---|---|---|---|---|---|---|
| | Ownership | Carrying Value | Share of (Loss) Earnings | Ownership | Carrying Value | Share of (Loss) Earnings |
| **Joint Venture Arrangement** | | | | | | |
| Borborema Inc. | 0% | $ - | $ (226) | 20% | $ 17,917 | $ (125) |
| **Other Equity Accounted Investments** | | | | | | |
| Android Industries, LLC | 20% | 28,874 | (353) | 20% | 28,557 | 3,195 |
| Enim Technologies Inc. | 25% | 98 | (1,380) | 0% | - | - |
| Magna Mining Inc. | 21% | 8,079 | (2,010) | 22% | 8,589 | (400) |
| Maritime Resources Corp. | 20% | 4,814 | - | 0% | - | - |
| Viva Gold Corp. | 20% | 2,838 | - | 0% | - | - |
| Dundee Sarea Acquisition I Limited Partnership | 98% | - | - | 50% | - | (188) |
| Dundee Securities Europe Limited | 0% | - | - | 0% | - | (315) |
| | | 44,703 | (3,969) | | 55,063 | 2,167 |
| **Real estate joint ventures** | | 2,852 | (1,516) | | 6,796 | 2,113 |
| | | **$ 47,555** | **$ (5,485)** | | **$ 61,859** | **$ 4,280** |

**Significant Transactions Affecting the Carrying Value of Equity Accounted Investments**

*Borborema Inc. ("Borborema")*

Pursuant to the termination agreement in August 2023, the Corporation's wholly-owned subsidiary, Dundee Resources Limited, exchanged its equity interest in the Borborema joint venture for a net smelter royalty ("NSR") as non-monetary consideration on August 30, 2023 (note 10). The fair value of the NSR on initial recognition was determined to be $18,921,000 using a discounted cash flow valuation model, resulting in a $2,256,000 gain that was recognized during 2023.

Significant inputs and assumptions incorporated in the discounted cash flow analysis included the following: (i) projections of future cash flows relied on observable futures pricing data that was used to forecast the future movement of gold prices; (ii) the discount rate was estimated using a capital asset pricing model ("CAPM") where a critical input in the CAPM was estimated using a representative peer group of publicly traded companies; and (iii) the Corporation did not account for any expansion scenario. The Corporation applied a discount rate of 9% in the discounted cash flow analysis. A 4% increase to the discount rate used would result in an increase to the Corporation's net loss by $3,618,000 and a corresponding decrease of 4% would result in a $4,914,000 decrease to the Corporation's net loss. The discounted cash flow analysis incorporated an average forecasted long-term price for gold of U$2,185 per ounce, based on futures contracts. A 4% change to the forecasted price of gold used would result in a change to the Corporation's net loss by $757,000.

*Magna Mining Inc. ("Magna")*

In September 2022, the Corporation participated in Magna's $20.0 million private placement, acquiring 18,518,518 subscription receipts for $5,000,000. Upon the satisfaction of the escrow release conditions in November 2022, the Corporation exchanged the subscription receipts for 18,518,518 common shares and 9,259,259 warrants of Magna. The Corporation's ownership interest in Magna increased from 19% at the end of September 2022 to 22% at December 31, 2022.

On January 25, 2023, the Corporation participated in an $18.0 million private placement announced by Magna, whereby the Corporation invested $1,500,000 to acquire 1,363,600 common shares of Magna. Immediately following the closing of the private placement, the Corporation's ownership in Magna decreased from 22% at the end of December 2022 to 21%.

*Maritime Resources Corp.*

Maritime Resources Corp. ("Maritime") operates within a prime mining jurisdiction in Newfoundland, Canada, and is advancing the Hammerdown Gold Project. The Corporation, through a series of transactions, acquired a 20% interest in Maritime. The Corporation determined it has significant influence over Maritime; and accordingly, has transitioned to the accounting of its interest in Maritime from investment carried at FVTPL to the equity method in December 2023.

*Viva Gold Corp.*

Viva Gold Corp. ("Viva") is a Nevada-focused gold exploration and development company, advancing the high-grade Tonopah Project. Through a series of transactions, the Corporation acquired a 20% interest in Viva. The Corporation determined it has significant influence over Viva; and accordingly, has transitioned to accounting of its interest in Viva from investment carried at FVTPL to the equity method in December 2023.

*Enim Technologies Inc. ("Enim")*

In July 2023, Dundee Technologies entered into an agreement with Enim; a sustainable development company based in Québec. To acquire 25% ownership in Enim, Dundee Technologies invested $75,000 cash and a $1,585,000 in-kind contribution of equipment and labor expenses to develop the project.

*Real Estate Joint Venture in France held by Dundee 360 Real Estate Corporation*

During 2023, Dundee 360 Real Estate Corporation received a cash distribution of $2,500,000 (2022 – $3,093,000) from Sotarbat 360, S.A.S., a real estate joint venture in France.

**Financial Information about Equity Accounted Investments**

The following tables summarize financial information about the assets, liabilities, revenues, net loss or earnings and OCI of the Corporation's material equity accounted investments, as at and for the years ended December 31, 2023 and 2022.

| As at and for the year ended December 31, 2023 | Android | Magna | Maritime | Sotarbat 360 |
|---|---|---|---|---|
| Ownership interest | 20% | 21% | 20% | 45% |
| Assets | $ 110,215 | $ 3,623 | $ 10,319 | $ 4,483 |
| Liabilities | (78,123) | (1,771) | (2,583) | (2,227) |
| Non-controlling interest | (1,449) | - | - | - |
| Percentage ownership of net assets | 30,643 | 1,852 | 7,736 | 2,256 |
| Difference between net assets and carrying value of investment | (1,769) | 6,227 | (2,922) | 296 |
| **Carrying value** | **$ 28,874** | **$ 8,079** | **$ 4,814** | **$ 2,552** |
| Revenue | $ 1,259,683 | $ - | $ - | $ 340 |
| Net (loss) earnings | 9,092 | (25,642) | - | (3,368) |
| Comprehensive income | 7,351 | - | - | - |

| As at and for the year ended December 31, 2022 | Android | Magna | Borborema | Sotarbat 360 |
|---|---|---|---|---|
| Ownership interest | 20% | 22% | 20% | 45% |
| Assets | $ 107,223 | $ 4,491 | $ 18,821 | 8,796 |
| Liabilities | (76,748) | (4,249) | (462) | (2,462) |
| Non-controlling interest | (149) | - | - | - |
| Percentage ownership of net assets | 30,326 | 242 | 18,359 | 6,334 |
| Difference between net assets and carrying value of investment | (1,769) | 8,347 | (442) | 162 |
| **Carrying value** | **$ 28,557** | **$ 8,589** | **$ 17,917** | **6,496** |
| Revenue | $ 1,047,038 | $ - | $ - | 24,582 |
| Net (loss) earnings | 19,345 | (974) | (622) | 4,696 |
| Comprehensive (loss) income | (1,918) | - | 1,062 | - |

The Corporation's financial information in respect of its equity accounted information as outlined above is based on the most recent audited annual financial statements or, if such audited annual financial statements are not available, from unaudited annual or interim financial statements of each equity accounted investment. Adjustments are made to reflect material transactions and events in the intervening period, if any. For purposes of this disclosure, the assets and liabilities of the equity accounted investments with presentation currencies in other than the Canadian dollar have been translated using prevailing foreign exchange rates at the dates of the consolidated statements of financial position. Revenues, net loss or earnings, and items in OCI have been translated using average foreign exchange rates during the respective periods.

## 8. ASSETS AND LIABILITIES HELD-FOR-SALE AND DISCONTINUED OPERATIONS

**AgriMarine Holdings Inc.'s Aquaculture Operations**

In March 2023, AgriMarine Holding Inc. ("AgriMarine"), a subsidiary of the Corporation, closed the sale of its wholly-owned subsidiary, West Coast Fishculture (Lois Lake) Ltd. ("WCF"), which operated a steelhead fish farm in Powell River, British Columbia. In addition, AgriMarine recognized a $400,000 liability for an indemnity obligation to the purchaser of WCF, which is included in "*General and administrative expenses*" in these consolidated financial statements. Since WCF's carrying value of net assets was impaired upon classification as net assets held-for-sale during the year ended December 31, 2022, there is no further gain or loss recognized during 2023.

Operating results and cash flow of WCF for the period up to the date of sale in March 2023 were classified as discontinued operations in the consolidated statements of operations and comprehensive loss, and in the consolidated statements of cash flow, respectively.

*Net Loss from Discontinued Operations*

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Agriculture | $ | 1,019 | $ | 4,855 |
| Interest and other | | 9 | | 21 |
| | | 1,028 | | 4,876 |
| Cost of sales | | (1,239) | | (5,155) |
| Depreciation and amortization | | - | | (1,044) |
| Impairment charge | | - | | (9,890) |
| General and administrative expenses | | (150) | | (806) |
| Fair value changes in livestock | | 130 | | (790) |
| Interest expense | | (17) | | (196) |
| Foreign exchange | | - | | (1) |
| **NET LOSS FOR THE YEAR** | **$** | **(248)** | **$** | **(13,006)** |
| **NET LOSS ATTRIBUTABLE TO:** | | | | |
| Owners of the Corporation | $ | (248) | $ | (13,006) |
| | **$** | **(248)** | **$** | **(13,006)** |

## 9. ACQUISITIONS AND DILUTIONS OF INTERESTS IN SUBSIDIARIES

**Change of Ownership Interests in Subsidiaries**

| | Interest Owned as at | | | Effect on Reserves for Changes in Equity of Subsidiaries during the year ended | | | |
|---|---|---|---|---|---|---|---|
| | 31-Dec-23 | 31-Dec-22 | 31-Dec-21 | | 31-Dec-23 | | 31-Dec-22 |
| AgriMarine Holdings Inc. | 90% | 100% | 100% | $ | 4,406 | $ | - |
| Blue Goose Capital Corp. | 97% | 97% | 96% | | - | | (168) |
| Dundee Sustainable Technologies Inc. | 78% | 78% | 82% | | - | | 1,140 |
| **Total** | | | | **$** | **4,406** | **$** | **972** |

*AgriMarine Holdings Inc.*
Upon the completion of the sale of WCF (note 8) in March 2023, the Corporation awarded a 10% interest in AgriMarine which retains the patents to the closed-containment tank technology to a former executive, reducing the Corporation's ownership interest from 100% at the end of December 2022 to 90%. Due to the decrease in equity ownership, the Corporation recognized an increase of $4,406,000 in reserves for changes in equity of subsidiaries.

*Dundee Sustainable Technologies Inc.*
During 2022, Dundee Technologies raised $635,000 pursuant to a private placement whereby it issued 3,527,777 of its common shares to minority interests, reducing the Corporation's ownership interest from 82% at December 31, 2021 to 78% at December 31, 2022. Combined with other changes in Dundee Technologies' shareholders' equity related to stock-based compensation expense, the Corporation recognized an increase in its reserves for changes in equity of subsidiaries of $1,140,000 during 2022.

*Blue Goose Capital Corp.*
During 2022, Dundee Agricultural Corporation, a wholly-owned subsidiary of the Corporation, acquired 100,000 common shares from Blue Goose' minority shareholders, increasing its interest from 96% at the end of December 2021 to 97% at December 31, 2022. Due to the effect of the increase in equity ownership, the Corporation recognized a reduction of $168,000 in reserves for changes in equity of subsidiaries.

## 10. ROYALTY AND OTHER INTANGIBLE ASSETS

In August 2023, the Corporation exchanged its equity interest in the Borborema Gold Project joint venture for a NSR (note 7). Pursuant to the terms of the termination agreement, the Corporation will earn a NSR equivalent to the percentages on the sale of any product containing economically recoverable minerals obtained from ore mined and removed from the Borborema Gold Project. The 1.50% NSR applies to the first 1,500,000 ounces of gold sold, then is reduced to 1.00% on the next 500,000 ounces of gold. Once the production threshold of 2,000,000 ounces of gold from the Borborema Gold Project has been reached, the royalty will terminate in accordance with the agreement.

| As at December 31, | | | 2023 | | | 2022 |
|---|---|---|---|---|---|---|
| | Royalty Interest | Other Intangible Assets | Total | Royalty Interest | Other Intangible Assets | Total |
| Balance, beginning of year | $ - | $ 4,977 | $ 4,977 | $ - | $ 6,222 | $ 6,222 |
| Exchange from joint venture interest (note 7) | 18,921 | - | 18,921 | - | - | - |
| Amortization | - | (1,681) | (1,681) | - | (462) | (462) |
| Impairment * | - | - | - | - | (783) | (783) |
| **Balance, end of year** | **$ 18,921** | **$ 3,296** | **$ 22,217** | **$ -** | **$ 4,977** | **$ 4,977** |

* *The $783,000 impairment charge was recognized against other intangible assets, reducing its carrying value to its recoverable value.*

## 11. CAPITAL AND RIGHT-OF-USE ASSETS

| | Capital Assets | | | | | |
|---|---|---|---|---|---|---|
| | Furniture and Fixtures | Computer and Network Equipment | Land and Buildings | Equipment and Other | Right-of-Use Assets | Total |
| **At December 31, 2021** | | | | | | |
| Cost | $ 81 | $ 21 | $ 706 | $ 16,658 | $ 6,351 | $ 23,817 |
| Accumulated impairment, depreciation and amortization | (60) | (18) | (410) | (9,822) | (2,124) | (12,434) |
| Net carrying value, December 31, 2021 | 21 | 3 | 296 | 6,836 | 4,227 | 11,383 |
| **For the year ended December 31, 2022** | | | | | | |
| Carrying value December 31, 2021 | 21 | 3 | 296 | 6,836 | 4,227 | 11,383 |
| Transferred to held-for-sale (note 8) | - | - | (101) | (6,598) | (1,621) | (8,320) |
| Asset additions | 61 | - | 1,089 | - | - | 1,150 |
| Asset disposals | - | - | - | (102) | - | (102) |
| Depreciation and amortization | (10) | (3) | (49) | (2) | (534) | (598) |
| Net carrying value, December 31, 2022 | 72 | - | 1,235 | 134 | 2,072 | 3,513 |
| **At December 31, 2022** | | | | | | |
| Cost | 79 | - | 1,349 | 181 | 2,794 | 4,403 |
| Accumulated impairment, depreciation and amortization | (7) | - | (114) | (47) | (722) | (890) |
| Net carrying value, December 31, 2022 | 72 | - | 1,235 | 134 | 2,072 | 3,513 |
| **For the year ended December 31, 2023** | | | | | | |
| Carrying value December 31, 2022 | 72 | - | 1,235 | 134 | 2,072 | 3,513 |
| Asset additions | - | - | - | - | 49 | 49 |
| Asset disposals | - | - | - | - | (481) | (481) |
| Depreciation and amortization | (15) | - | (104) | - | (218) | (337) |
| Net carrying value, December 31, 2023 | 57 | - | 1,131 | 134 | 1,422 | 2,744 |
| **At December 31, 2023** | | | | | | |
| Cost | 79 | - | 1,349 | 181 | 1,678 | 3,287 |
| Accumulated impairment, depreciation and amortization | (22) | - | (218) | (47) | (256) | (543) |
| **Net carrying value, December 31, 2023** | **$ 57** | **$ -** | **$ 1,131** | **$ 134** | **$ 1,422** | **$ 2,744** |

## 12. CORPORATE DEBT

| As at and for the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| | Corporate Debt | Interest Expense | Corporate Debt | Interest Expense |
| **Corporate credit facilities** | $ 13,422 | $ 21 | $ - | $ - |
| **Subsidiaries** | | | | |
| Loan facilities, Dundee Sustainable Technologies Inc. | 5,621 | 704 | 5,730 | 618 |
| | **$ 19,043** | **$ 725** | **$ 5,730** | **$ 618** |

### Credit Facilities, Corporate

*Loan from Earlston Investments Corp. ("Earlston Loan")*

In connection with the substantial issuer bid on First Preference Shares, Series 3 (note 14), the Corporation entered into a loan agreement for up to $20 million with Earlston Investments Corp. on November 17, 2023. The Earlston Loan is guaranteed by Dundee Resources Limited ("DRL") and secured by a security interest over all present and after-acquired property of the Corporation and DRL, including a pledge of the shares of Reunion Gold Corporation held by DRL (the "Collateral").

The Earlston Loan bears interest at a rate of the greater of (i) prime rate plus 1.95% per annum and (ii) 9.15% per annum during the first 24-month period; thereafter, at a prime rate plus 6.50% per annum. The Earlston Loan has a maturity date of February 27, 2026. At any time after June 28, 2024, the Corporation may voluntarily prepay all or any portion of the Earlston

Loan together with all interest accrued thereon without premium or penalty. The Corporation must repay (i) any portion of the Earlston Loan not used to fund the purchase of First Preference Shares, Series 3 shares pursuant to the substantial issuer bid; (ii) periodically, if the value of the Collateral is not at least 250% of the outstanding principal amount of the Earlston Loan plus overdue interest (if any), such amount as required to ensure the value of the Collateral is at least 250% of the outstanding principal amount of the Earlston Loan plus overdue interest (if any), and (iii) if DRL sells any of the Collateral in certain circumstances as set out in the loan agreement, an amount equal to the net proceeds of such sale.

The Corporation borrowed $20,000,000 and subsequently repaid $6,000,000 during 2023. As at December 31, 2023, the Earlston Loan is carried at amortized cost of $13,422,000, net of $578,000 transaction costs incurred on the Earlston Loan. The effective interest rate applied in the amortized cost method was determined to be 12.01%. The fair value of the Earlston Loan is estimated at $14,000,000 as at December 31, 2023.

*Margin account*

In January 2020, a subsidiary of the Corporation opened a margin account with a Canadian independent wealth management and capital markets firm that is a member of the Canadian Investment Regulatory Organization ("CIRO") and a member of the Canadian Investor Protection Fund ("CIPF"). The borrowings under this facility bear interest at prime plus 1%.

The margin account requires the maintenance of certain financial ratios relating to the fair value of certain publicly traded securities in the Corporation's portfolio of investments. Therefore, the Corporation's borrowing availability will increase or decrease, reflecting corresponding increases or decreases in these securities. At December 31, 2023 and 2022, the amount owing under this margin account was $nil.

**Loan Facilities, Dundee Sustainable Technologies Inc.**

Dundee Technologies has entered into several borrowing arrangements, pursuant to which Dundee Technologies had borrowed an aggregate of $5,621,000 at December 31, 2023 (2022 – $5,730,000). Other than as described below, the lending institutions to Dundee Technologies do not have recourse to the Corporation in respect of any of the amounts borrowed.

*Convertible Debenture*

On July 31, 2020, Dundee Technologies entered into a secured convertible loan agreement in the amount of $4,000,000 (the "IQ Loan") with Investissement Québec ("IQ"). The IQ Loan had a maturity date of July 13, 2023, bore interest at a rate of 8% per annum and could be converted at the holder's option into subordinate voting shares of Dundee Technologies at a conversion price equal to the closing market price of the shares on the day prior to conversion. The IQ Loan is secured against all of Dundee Technologies' property except for its intellectual property. Pursuant to the agreement, Dundee Technologies made a partial payment to the capital in the amount of $50,000 in 2021 and $100,000 in 2022. On July 13, 2023, Dundee Technologies obtained an approval to extend the maturity date of the convertible debenture from the original maturity date to September 29, 2023 and, on September 29, 2023, the maturity date was further extended to May 15, 2025 with all the other terms and conditions remaining unchanged. Dundee Technologies recognized this extension as an extinguishment of the debt with no further effect to profit or loss. After the extension of the maturity date, the fair value of the loan and accrued interests were estimated at $4,461,000 using an effective rate of 13%, corresponding to a rate that Dundee Technologies would have obtained for a similar financing with a third party. Dundee Technologies capitalized interest expense of $386,000 (2022 – $361,000).

In order to support the IQ Loan, the Corporation has guaranteed $1,125,000 of Dundee Technologies' debt owing to IQ. As at December 31, 2023, the carrying value of the IQ Loan is $4,704,000 (2022 – $4,588,000).

*IQ Innovation Loan*

On July 15, 2020, Dundee Technologies received a loan offer from IQ for a total amount of $1,108,000. The loan was granted under IQ's Support for Innovation Program and was used by Dundee Technologies to apply against business development expenses (the "IQ Innovation Loan"). The fair value of the loans was estimated at $838,000 (2022 – $292,000) using an effective rate of 11% corresponding to a rate that Dundee Technologies would have obtained for a similar non-subsidized financing.

The IQ Innovation Loan will mature six years from the initial disbursement and will bear interest at a rate of 3.04% per annum. Dundee Technologies benefited from a 24-month moratorium period on the repayment of capital from the first disbursement. During 2023, Dundee Technologies started reimbursing the loan in 48 monthly installments. The loan is secured by a second-degree hypothec over all of Dundee Technologies' property other than the intellectual property. As at December 31, 2023, the carrying value of the IQ Innovation Loan is $740,000 (2022 – $931,000).

*CED Contribution Agreement*

Under an amended agreement dated October 12, 2016, Dundee Technologies received from Canada Economic Development for Québec Regions ("CED") a $397,000 repayable contribution (the "CED Contribution"). The CED Contribution was used by Dundee Technologies for the acquisition of equipment for its demonstration plant (the "Project") in Thetford Mines. The CED Contribution is secured against all Dundee Technologies' property other than its intellectual property. The CED Contribution is non-interest bearing and repayable in equal monthly installments over seven years starting from three years after the end of the Project which was in March 2020. As at December 31, 2023, the carrying value of the CED Contribution is $177,000 (2022 – $211,000).

## 13. LEASE LIABILITIES

| As at December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Balance, beginning of year | $ | 2,941 | $ | 4,205 |
| Transferred to held-for-sale (note 8) | | - | | (956) |
| Dispositions | | (629) | | - |
| Interest expense | | 150 | | 198 |
| Lease payments | | (428) | | (1,028) |
| Other | | (152) | | 522 |
| **Balance, end of year** | **$** | **1,882** | **$** | **2,941** |

Lease liabilities on its continuing operations encompass leases on premises which have remaining lease terms of 11 years, discounted at a weighted average interest rate of 4.45% (2022 – 6.62%). During 2023, the Corporation recognized an interest expense relating to lease liabilities of $150,000 (2022 – $198,000) from continuing operations.

## 14. PREFERENCE SHARES

**Authorized**

The Corporation is authorized to issue 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.

*First Preference Shares*

Each series of first preference shares ranks on a parity with the first preference shares of every other series and will be entitled to preference on the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Corporation over the Subordinate Shares (note 15), Class B Shares (note 15), second preference shares and third preference shares.

*Second Preference Shares*

Each series of second preference shares ranks junior and subordinate to the first preference shares, on a parity with second preference shares of every other series and will be entitled to preference over the Subordinate Shares, Class B Shares and third preference shares. There were no second preference shares outstanding on December 31, 2023 and 2022.

*Third Preference Shares*

Each series of third preference shares ranks junior and subordinate to the first preference shares and the second preference shares, on a parity with the third preference shares of every other series and will be entitled to preference over the Subordinate Shares and Class B Shares. There were no third preference shares outstanding on December 31, 2023 and 2022.

**Issued and Outstanding First Preference Shares, Series 2 ("PS Series 2")**

| | Number of Shares | Par Value | Issue Costs | Carrying Value |
|---|---|---|---|---|
| Balance as at December 31, 2023 and 2022 | 1,149,162 | $ 28,729 | $ (1,062) | $ 27,667 |

At December 31, 2023 and 2022, the Corporation had issued and outstanding 1,149,162 cumulative 5-year rate reset first preferred shares with a face value of $25.00 per share. The PS Series 2 rank on parity with the PS Series 3 (see below), and rank in priority to the Subordinate Shares and Class B Shares of the Corporation as to the payment of dividends and distribution of assets on dissolution, liquidation or winding-up of the Corporation. The PS Series 2 entitle the holder to a fixed preferential cumulative dividend, payable quarterly. The dividend rate is reset every five years to equal the then Canadian-dollar denominated non-callable Government of Canada bond yield with a term to maturity of five years plus 4.10%. The PS Series 2 are generally non-voting, except in limited circumstances. During 2023 and 2022, the PS Series 2 carried an annual coupon rate of 5.284%. During 2023 and 2022, the Corporation paid dividends of $1,518,000 on its outstanding PS Series 2.

Holders of PS Series 2 have the option to convert their shares into cumulative floating rate PS Series 3, subject to certain conditions, on the fifth-year anniversary of their issuance and every fifth year thereafter. The conversion is on the basis of one PS Series 3 for each PS Series 2. The next scheduled fifth year anniversary will be on September 30, 2024.

The PS Series 2 may be redeemed, at the option of the Corporation, on September 30 in the fifth year following their issuance, and on September 30 every fifth year thereafter, at a price of $25.00 per share, together with accrued and unpaid dividends up to, but excluding, the redemption date. The next possible fifth year redemption date is September 30, 2024.

The Corporation may, at any time, purchase the PS Series 2 for cancellation in the open market, by private agreement, or otherwise.

**Issued and Outstanding First Preference Shares, Series 3 ("PS Series 3")**

| | Number of Shares | Par Value | Carrying Value |
|---|---|---|---|
| Balance as at December 31, 2022 | 2,016,922 | $ 50,423 | $ 50,423 |
| **For the year ended December 31, 2023** | | | |
| Redeemed pursuant to substantial issuer bid | (914,040) | (22,851) | (22,851) |
| Redeemed pursuant to normal course issuer bid | (377,900) | (9,447) | (9,447) |
| **Balance as at December 31, 2023** | **724,982** | **$ 18,125** | **$ 18,125** |

At December 31, 2023, the Corporation had issued and outstanding 724,982 (2022 – 2,016,922) PS Series 3. The PS Series 3 rank on parity with the PS Series 2, and rank in priority to the Subordinate Shares and Class B Shares of the Corporation as to the payment of dividends and the distribution of assets on dissolution, liquidation or winding-up of the Corporation. Holders of PS Series 3 are entitled to receive quarterly floating rate, cumulative preferential cash dividends based on the applicable three-month Government of Canada T-Bill rate plus 4.10%. The PS Series 3 are generally non-voting, except in limited circumstances. During 2023, the Corporation paid dividends of $3,658,000 (2022 – $2,772,000) on its outstanding PS Series 3, representing a coupon rate ranging from 8.23% to 9.26% (2022 – 4.23% to 7.42%).

Holders of PS Series 3 have the option, subject to certain conditions, on each September 30 every fifth year thereafter, to convert their PS Series 3 into PS Series 2. The conversion is on the basis of one PS Series 2 for each PS Series 3. The next possible fifth year redemption date is September 30, 2024.

On each September 30 every fifth year thereafter, the Corporation has the option to redeem the PS Series 3 by payment of an amount in cash of $25.00 per share together with accrued and unpaid dividends up to, but excluding, the redemption date. The next possible fifth year redemption date is September 30, 2024. On any date that is not a conversion date, the Corporation has the option to redeem the PS Series 3 by payment of an amount in cash of $25.50 per share, together with accrued and unpaid dividends up to, but excluding, the redemption date.

The Corporation may, at any time, purchase the PS Series 3 for cancellation in the open market, by private agreement, or otherwise.

**Substantial Issuer Bid on PS Series 3 ("SIB")**

On December 28, 2023, the Corporation announced the results of its SIB, launched on November 20, 2023, to purchase for cancellation from the holders thereof who chose to participate up to 975,610 PS Series shares at a purchase price of $20.50 per share. The SIB expired on December 27, 2023. The Corporation purchased 914,040 PS Series 3 shares, having an aggregate stated capital value of $22,851,000, for an aggregate purchase price of $18,738,000. The excess of carrying value over the purchase price, which totalled $4,113,000, was recorded as an increase in retained earnings. Transaction costs in respect of the SIB were $264,000 and charged to retained earnings.

**Normal Course Issuer Bids on PS Series 2 and PS Series 3 ("NCIBs")**

On April 10, 2023, the Corporation announced that it received regulatory approval for its NCIBs from April 12, 2023 to April 11, 2024. Pursuant to these arrangements and subject to certain conditions, the Corporation may purchase up to a maximum of 114,916 PS Series 2 and 181,752 PS Series 3, representing approximately 10% of its public float on each type of share at the time approval for the NCIB was granted.

During 2023, the Corporation purchased 377,900 PS Series 3, having an aggregate stated capital value of $9,447,000, for cancellation pursuant to these arrangements. The Corporation paid $7,462,000 to retire these shares. The excess of the value of stated capital over the purchase price, which totalled $1,985,000, was recorded as an increase in retained earnings.

## 15. SHARE CAPITAL

**Authorized**

The Corporation is authorized to issue an unlimited number of Class A subordinate voting shares ("Subordinate Shares") and an unlimited number of Class B common shares ("Class B Shares"). Holders of Subordinate Shares and Class B Shares are entitled to one vote and 100 votes, respectively, for each such share held. The Subordinate Shares and Class B Shares participate equally, share for share, as to dividends. The Class B Shares are convertible into Subordinate Shares on a one-for-one basis at any time. In the event of an offer to purchase the Class B Shares by a third party, and in certain circumstances, each Subordinate Share will be convertible, at the option of the holder, into one Class B Share for purposes of accepting an offer.

**Issued and Outstanding**

| | SUBORDINATE SHARES | | CLASS B SHARES | | TOTAL | |
|---|---|---|---|---|---|---|
| | Number | Amount | Number | Amount | Number | Amount |
| Outstanding December 31, 2021 | 84,697,363 | $ 272,709 | 3,114,491 | $ 8,154 | 87,811,854 | $ 280,863 |
| **For the year ended December 31, 2022** | | | | | | |
| Shares redeemed pursuant to normal course issuer bid | (46,692) | (152) | - | - | (46,692) | (152) |
| Issuance of shares under share incentive arrangements | 317,419 | 439 | - | - | 317,419 | 439 |
| Outstanding December 31, 2022 | 84,968,090 | 272,996 | 3,114,491 | 8,154 | 88,082,581 | 281,150 |
| **For the year ended December 31, 2023** | | | | | | |
| Issuance of shares under share incentive arrangements | 864,715 | 1,040 | - | - | 864,715 | 1,040 |
| **Outstanding December 31, 2023** | **85,832,805** | **$ 274,036** | **3,114,491** | **$ 8,154** | **88,947,296** | **$ 282,190** |

**Normal Course Issuer Bids**

On April 10, 2023, the Corporation announced that it received regulatory approval for its NCIB from April 12, 2023 to April 11, 2024. Pursuant to these arrangements and subject to certain conditions, the Corporation may purchase up to a maximum of 7,571,650 Subordinate Shares, representing approximately 10% of its public float at the time approval for the NCIB was granted.

During 2023, the Corporation did not purchase any Subordinate Shares for cancellation pursuant to these arrangements. During 2022, the Corporation purchased aggregate 46,692 Subordinate Shares, having an aggregate stated capital value of $152,000, for cancellation pursuant to the previously announced NCIB arrangements. The Corporation paid $62,000 to retire these shares. The excess of the value of stated capital over the purchase price, which totalled $90,000, was recorded as an increase in retained earnings.

**Accumulated Other Comprehensive Income**

| | Equity Accounted Investments | Foreign Currency Translation | Non-controlling Interest | Total |
|---|---|---|---|---|
| Balance at December 31, 2021 | $ (1,010) | $ 17,813 | $ (2,517) | $ 14,286 |
| **For the year ended December 31, 2022** | | | | |
| Other comprehensive income | 1,857 | 219 | (17) | 2,059 |
| Transfer of realized foreign currency translation gain related to equity accounted investment, net of income taxes, to net earnings | (40) | - | - | (40) |
| Balance at December 31, 2022 | 807 | 18,032 | (2,534) | 16,305 |
| **For the year ended December 31, 2023** | | | | |
| Other comprehensive (loss) income | (505) | 58 | - | (447) |
| Transfer of realized foreign currency translation loss related to equity accounted investment, net of income taxes, to net loss | 276 | - | - | 276 |
| **Balance at December 31, 2023** | **$ 578** | **$ 18,090** | **$ (2,534)** | **$ 16,134** |

## 16. NON-CONTROLLING INTEREST

Non-controlling interest represents equity interests in subsidiaries owned by outside parties. Non-controlling interests that are material to Dundee Corporation include non-controlling interest in respect of the Corporation's investment in Dundee Technologies. Significant equity transactions undertaken in each of these subsidiaries, including transactions with non-controlling interests, are outlined in notes 8 and 9.

| As at December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| AgriMarine Holdings Inc. (note 9) | $ | (4,454) | $ | - |
| Blue Goose Capital Corp. | | (806) | | (807) |
| Dundee 360 Real Estate Corporation | | 47 | | 48 |
| Dundee Sustainable Technologies Inc. | | (3,871) | | (3,349) |
| United Hydrocarbon International Corp. | | 323 | | 372 |
| **Total** | **$** | **(8,761)** | **$** | **(3,736)** |

The schedules below summarize financial information for each of the Corporation's subsidiaries with significant amounts attributed to non-controlling interest. The amounts disclosed are based on the financial position and financial results of each subsidiary, as included in the 2023 Consolidated Financial Statements, before accounting for any intercompany eliminations.

| As at and for the years ended December 31, | | 2023 | | | | 2022 |
|---|---|---|---|---|---|---|
| | | AgriMarine | | Dundee Technologies | | Dundee Technologies |
| Non-controlling interest ownership percentage | | 10% | | 22% | | 22% |
| Assets | $ | 183 | $ | 4,884 | $ | 7,025 |
| Liabilities | | (463) | | (6,218) | | (7,293) |
| Net assets (liabilities) before intercompany amounts | | (280) | | (1,334) | | (268) |
| Intercompany amounts | | (44,265) | | (16,270) | | (14,961) |
| Net assets (liabilities) | $ | (44,545) | $ | (17,604) | $ | (15,229) |
| Revenues and other income | $ | 40 | $ | 4,138 | $ | 3,872 |
| Net (loss) from operations before income taxes | | (1,149) | | (4,250) | | (3,456) |
| Operating cash flows | | (1,131) | | (2,117) | | (1,498) |
| Investing cash flows | | - | | 506 | | - |
| Financing cash flows | | 942 | | 1,532 | | 1,552 |

## 17. REVENUES AND OTHER INCOME FROM CONTINUING OPERATIONS

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Management fees | $ | 475 | $ | 662 |
| Financial services | | - | | 1,945 |
| Technical services | | 3,146 | | 3,864 |
| Real estate | | 81 | | 199 |
| Interest and other * | | 3,090 | | 1,984 |
| | **$** | **6,792** | **$** | **8,654** |

* *Interest and other included $847,000 gain on sale of a non-strategic operation at Dundee Technologies' Thetford Mines technical facilities in July 2023.*

## 18. SHARE INCENTIVE PLAN ARRANGEMENTS

### Share Incentive Plan

The Corporation established and amended a share incentive plan (the "SIP") for its employees, officers, consultants and directors. The number of Subordinate Shares that are reserved and available for grant and issuance pursuant to awards under the Amended and Restated SIP, subject to the terms of the Amended and Restated SIP, is 15% of the aggregate number of

Subordinate Shares and Class B Shares of the Corporation issued and outstanding from time to time. The SIP includes a share purchase component, a share option component and a share bonus component.

*Share Purchase Plan*

As part of its share incentive plan arrangements, the Corporation established a share purchase plan pursuant to which eligible participants may contribute up to a specified maximum amount of their basic annual salary towards the purchase of Subordinate Shares of the Corporation, either from treasury or in the open market, at the discretion of the Corporation. During 2023, compensation expense associated with the share purchase plan was $240,000 (2022 – $312,000). All transactions pursuant to the Corporation's share purchase plan were completed in the open market during the 2022 fiscal year and the first quarter of 2023. Subsequent to the first quarter of 2023, the Corporation issued 297,460 Subordinate Shares from treasury in settlement of share purchase plan arrangement during 2023.

*Share Option Plan*

Under the terms of the Corporation's share option plan, the Corporation may issue options to eligible participants to purchase Subordinate Shares from treasury. The exercise price per option may not be less than the closing price of the Subordinate Shares as quoted on the TSX or such other stock exchange, as applicable, on the last trading day immediately preceding the day the options are granted. Outstanding options become exercisable as to one-third of the Subordinate Shares on the first three anniversary dates following the date of grant and expire seven years thereafter.

The Corporation did not grant any options during 2022. On September 5, 2023, the Corporation granted 50,000 options with a fair value of $0.64 per option for an aggregate fair value of $32,000. The fair value of the options granted was estimated at the grant date using a Black-Scholes option pricing model with the following assumptions:

| | 2023 |
|---|---|
| Risk-free interest rate | 3.69% |
| Volatility factor | 43.59% |
| Expected dividend yield | - |
| Expected life of the options | 7 years |

A summary of the status of the Corporation's share option plan as at December 31, 2023 and 2022, and the changes during the years then ended, is as follows:

| For the years ended December 31, | | | 2023 | | | 2022 |
|---|---|---|---|---|---|---|
| | Number of Options | | Weighted Average Exercise Price | Number of Options | | Weighted Average Exercise Price |
| Outstanding, beginning of year | 4,230,000 | $ | 1.13 | 4,390,000 | $ | 1.13 |
| Granted | 50,000 | | 1.25 | - | | - |
| Exercised | (240,000) | | 1.10 | (146,667) | | 1.10 |
| Forfeited | - | | - | (13,333) | | 1.10 |
| **Outstanding, end of year** | **4,040,000** | **$** | **1.13** | **4,230,000** | **$** | **1.13** |
| Exercisable options | 3,840,000 | $ | 1.12 | 3,910,000 | $ | 1.10 |

| Exercise Price | Options Outstanding | Weighted Average Remaining Contractual Life (Years) | Options Exercisable |
|---|---|---|---|
| Options issued with an exercise price of $1.10 | 3,400,000 | 2.57 | 3,400,000 |
| Options issued with an exercise price of $1.10 | 80,000 | 2.64 | 80,000 |
| Options issued with an exercise price of $1.10 | 60,000 | 3.12 | 60,000 |
| Options issued with an exercise price of $1.38 | 450,000 | 4.27 | 300,000 |
| Options issued with an exercise price of $1.25 | 50,000 | 6.68 | - |

*Share Bonus Plan*

The SIP permits the Corporation's Subordinate Shares to be issued from treasury or purchased in the market for delivery to eligible participants under the share bonus component. During 2023, the Corporation awarded 517,237 (2022 – 456,732) bonus shares with an aggregate value of $690,000 (2022 – $645,000) in respect of certain deferred compensation arrangements. In addition, during 2023, the Corporation issued 312,231 (2022 – 317,419) Subordinate Shares from treasury in settlement of vested share bonus awards. Aggregate share bonus awards granted but not yet vested at December 31, 2023, pursuant to the Corporation's share bonus plan, were 1,180,821 (2022 – 1,174,923) shares.

*Deferred Share Unit Plan*

The Corporation established and amended a deferred share unit ("DSU") plan pursuant to which the Compensation Committee of the Corporation's Board of Directors may issue discretionary awards to eligible participants based on certain criteria, including services performed or to be performed. DSUs are redeemable when a participant is no longer a director, officer or employee of the Corporation or any of its subsidiaries, by payment to the participant, based on the value of the underlying Subordinate Shares at that time. The total number of Subordinate Shares reserved and available for grant and issuance pursuant to awards under the Amended and Restated DSU Plan, subject to the terms of the Amended and Restated DSU Plan, is 15% of the aggregate number of Subordinate Shares and Class B Shares of the Corporation issued and outstanding from time to time.

During 2023, the Corporation issued 1,234,511 (2022 – 1,017,583) DSUs to certain directors, officers and consultants of the Corporation in partial payment for their services. In addition, during 2023, the Corporation issued 255,024 (2022 – nil) Subordinate Shares from treasury in net settlement of 555,585 (2022 – nil) DSUs. At December 31, 2023, there were 3,739,140 (2022 – 3,060,214) DSUs outstanding that track the value of the Corporation's Subordinate Shares.

In connection with a court approved plan of arrangement transaction completed in 2013 pursuant to which the Corporation distributed certain assets of the Corporation, holders of DSUs prior to completion of the distribution received additional DSUs, representing the fair value equivalent of the amounts distributed. Each such additional DSU entitles the holder to the market price of one subordinate voting share of Dream Unlimited Corp. ("Dream"), with such market price to be settled, at the Corporation's option, in cash or through the delivery of Subordinate Shares of the Corporation, either issued from treasury or acquired in the open market. During 2023, the Corporation redeemed 1,636 (2022 – nil) of these awards in exchange for cash consideration of $36,000 (2022 – $nil). At December 31, 2023, there were 10,024 (2022 – 11,660) DSUs outstanding that track the value of subordinate voting shares of Dream.

**Stock-Based Compensation**

During 2023, the Corporation recognized a stock-based compensation expense amount of $2,433,000 (2022 – $3,282,000) related to its share incentive arrangements, exclusive of similar arrangements of its subsidiaries.

The Corporation has determined that share incentive awards that track the underlying market price of the subordinate voting shares of Dream represent an obligation of the Corporation, as settlement will occur in cash and/or in a variable number of Subordinate Shares of the Corporation. Accordingly, these obligations are included in "*Accounts payable and accrued* *liabilities*" and are marked-to-market to reflect the market price of an underlying subordinate voting share of Dream on the dates of the statements of financial position. Changes in the fair value of these obligations are included in stock-based compensation.

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Share option plan | $ | 62 | $ | 260 |
| Deferred share unit plan | | 1,638 | | 2,273 |
| Share bonus plan | | 766 | | 906 |
| Dream Unlimited Corp. tracking share incentive arrangements: | | | | |
| Deferred share units | | (33) | | (157) |
| | **$** | **2,433** | **$** | **3,282** |

*Stock-Based Compensation of the Corporation's Subsidiaries*

From time to time, subsidiaries of the Corporation may incur stock-based compensation expense pursuant to their respective share incentive plan arrangements. During 2022, Dundee Technologies recognized a stock-based compensation expense amount of $102,000. Dundee Technologies did not recognize any stock-based compensation expense during 2023.

## 19. GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE IN CONTINUING OPERATIONS

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Salary and salary-related, excluding severance | $ | 5,253 | $ | 8,738 |
| Severance | | 837 | | 1,926 |
| Salary and salary-related | $ | 6,090 | $ | 10,664 |
| Stock-based compensation | | 2,433 | | 3,384 |
| Corporate and professional fees | | 5,546 | | 6,322 |
| General office | | 1,702 | | 4,051 |
| Other | | 287 | | 914 |
| | **$** | **16,058** | **$** | **25,335** |

## 20. INCOME TAXES

**Effective Income Tax Rates**

During 2023, the Corporation recognized an income tax recovery amount on its losses from continuing operations of $1,092,000 (2022 – income tax expense amount of $5,629,000), the major components of which include the following items:

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Current income tax expense | $ | (2,083) | $ | (1,448) |
| Deferred income tax recovery (expense) | | 3,175 | | (4,181) |
| **Total income tax recovery (expense)** | **$** | **1,092** | **$** | **(5,629)** |

The income tax recovery (expense) amount on pre-tax loss (earnings) from continuing operations differs from the income tax recovery (expense) amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26.5% (2022 – 26.5%), as a result of the following items:

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Loss (earnings) before tax at statutory rate of 26.5% (2022 – 26.5%) | $ | 10,673 | $ | (9,175) |
| Effect on taxes of: | | | | |
| Non-deductible expenses | | (3,145) | | (2,597) |
| Non-taxable revenue | | 10 | | 699 |
| Change in unrecognized temporary differences | | (6,425) | | 5,607 |
| Other differences | | (21) | | (163) |
| **Total income tax recovery (expense)** | **$** | **1,092** | **$** | **(5,629)** |

**Deferred Income Tax Amounts**

The movements in deferred income tax assets and liabilities during 2023 and 2022 are as follows:

| Deferred Income Tax Assets | | Loss Carry Forwards | | Capital Assets | | Reserves and Accrued Liabilities | | Other | | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance, December 31, 2021 | $ | 14,469 | $ | 156 | $ | 948 | $ | 1,896 | $ | 17,469 |
| (Charged) credited to the statement of operations | | 16,854 | | (35) | | 287 | | 124 | | 17,230 |
| (Charged) credited to discontinued operations | | - | | - | | - | | (942) | | (942) |
| Balance, December 31, 2022 | | 31,323 | | 121 | | 1,235 | | 1,078 | | 33,757 |
| (Charged) credited to the statement of operations | | (1,198) | | (6) | | (155) | | (43) | | (1,402) |
| **Balance, December 31, 2023** | **$** | **30,125** | **$** | **115** | **$** | **1,080** | **$** | **1,035** | **$** | **32,355** |

| Deferred Income Tax Liabilities | | Investments and Equity Accounted Investments | | Other | | Total |
|---|---|---|---|---|---|---|
| Balance, December 31, 2021 | $ | (14,107) | $ | (1,752) | $ | (15,859) |
| (Charged) credited to the statement of operations | | (21,228) | | (183) | | (21,411) |
| (Charged) credited to discontinued operations | | - | | 942 | | 942 |
| (Charged) credited to the statement of comprehensive loss | | (676) | | - | | (676) |
| Balance, December 31, 2022 | | (36,011) | | (993) | | (37,004) |
| (Charged) credited to the statement of operations | | 4,298 | | 279 | | 4,577 |
| (Charged) credited to the statement of comprehensive loss | | 72 | | - | | 72 |
| **Balance, December 31, 2023** | **$** | **(31,641)** | **$** | **(714)** | **$** | **(32,355)** |

At December 31, 2023, the Corporation had approximately $444,000,000 (2022 – $459,000,000) of temporary differences in respect of its investments in subsidiaries for which no deferred tax liability has been recognized on the basis that such differences are not expected to reverse in the foreseeable future.

At December 31, 2023, the Corporation had operating loss carry forwards of $511,326,000 (2022 – $506,770,000) as summarized below:

| | | Recognized | | Unrecognized | | Total |
|---|---|---|---|---|---|---|
| Canadian | $ | 108,885 | $ | 389,350 | $ | 498,235 |
| Non-Canadian | | 6,048 | | 7,043 | | 13,091 |
| Total operating loss carry forwards | **$** | **114,933** | **$** | **396,393** | **$** | **511,326** |

The operating loss carry forwards which have not been recognized expire between 2024 and 2043. In addition, the Corporation had capital loss carry forwards of $305,885,000 (2022 – $297,049,000) which do not expire and for which the benefit was not recognized in the consolidated financial statements.

## 21. NET (LOSS) EARNINGS PER SHARE

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Net (loss) earnings attributable to owners of the Corporation | $ | (38,813) | $ | 17,107 |
| Less: Dividends on Preference Shares, series 2 | | (1,518) | | (1,518) |
| Dividends on Preference Shares, series 3 | | (3,658) | | (2,772) |
| Add: Discount on repurchase of Preference Shares, series 3 | | 6,098 | | - |
| | $ | (37,891) | $ | 12,817 |
| Represented by: | | | | |
| Continuing operations | $ | (37,643) | $ | 25,823 |
| Discontinued operations | | (248) | | (13,006) |
| Weighted average number of shares outstanding during the year | | 88,403,728 | | 87,996,643 |
| Basic net (loss) earnings per share | | | | |
| Continuing operations | $ | (0.43) | $ | 0.30 |
| Discontinued operations | | - | | (0.15) |
| | $ | (0.43) | $ | 0.15 |
| Effect of dilutive securities on weighted average number of shares outstanding during the year | | n/a | | 4,540,940 |
| Diluted (loss) earnings per share | | | | |
| Continuing operations | $ | (0.43) | $ | 0.29 |
| Discontinued operations | | - | | (0.15) |
| | $ | (0.43) | $ | 0.14 |

## 22. SUPPLEMENTAL CASH FLOW INFORMATION IN CONTINUING OPERATIONS

### Items Not Affecting Cash and Other Adjustments

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Net loss (income) from portfolio investments | $ | 24,859 | $ | (51,147) |
| Share of loss (income) from equity accounted investments | | 5,485 | | (4,280) |
| Gain on exchange of equity accounted investment for royalty interest | | (2,256) | | - |
| Gain on sale of assets | | (847) | | - |
| In-kind invested in equity accounted investment | | (1,585) | | - |
| Depreciation and amortization | | 2,018 | | 1,060 |
| Impairment charge | | - | | 783 |
| Deferred income taxes | | (3,175) | | 4,181 |
| Stock-based compensation | | 2,433 | | 3,384 |
| Fair value changes related to contingent consideration | | 221 | | 1,528 |
| Other | | (4) | | (1,275) |
| | **$** | **27,149** | **$** | **(45,766)** |

### Changes in Non-Cash Working Capital Items

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Accounts receivable and other | $ | (670) | $ | (2,451) |
| Accounts payable and accrued liabilities | | (3,588) | | (2,272) |
| Current income tax amounts | | 1,285 | | (444) |
| | **$** | **(2,973)** | **$** | **(5,167)** |

**Breakdown of Cash and Cash Equivalents**

| As at December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Cash | $ | 15,343 | $ | 30,464 |
| Cash equivalents | | 10,994 | | 16,717 |
| | **$** | **26,337** | **$** | **47,181** |

## 23. CAPITAL MANAGEMENT

The Corporation defines the capital that it manages as the aggregate of its shareholders' equity and corporate debt. The following table summarizes the carrying value of the Corporation's capital as at December 31, 2023 and 2022.

| As at December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Shareholders' equity | $ | 290,148 | $ | 354,140 |
| Corporate debt | | 19,043 | | 5,730 |
| | **$** | **309,191** | **$** | **359,870** |

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

Certain of the Corporation's subsidiaries are subject to regulatory capital requirements. Compliance with these requirements requires that the subsidiaries maintain sufficient cash and other liquid assets on hand to maintain regulatory capital requirements, rather than using these liquid assets in connection with its business or otherwise. As at December 31, 2023 and 2022, these subsidiaries complied with all regulatory capital requirements.

Certain of the Corporation's subsidiaries, including those in the development stage, may have significant liquidity risk without the continued financial support of Dundee Corporation (note 4).

## 24. COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

### Commitments

*Guarantee in Favour of Investissement Québec*
In order to support a $4,000,000 investment by Investissement Québec into Dundee Technologies (note 12), the Corporation has guaranteed $1,125,000 of Dundee Technologies' debt owing to IQ. This amendment was made on July 16, 2020 and replaced the guarantee previously issued on May 15, 2015.

*Guarantees Issued in the Normal Course of Business*
The Corporation and its operating subsidiaries may become liable under other guarantees that are issued in the normal course of business and with respect to litigation and claims that arise from time to time. In the opinion of management, any liability that may arise from such commitments would not have a material adverse effect on the consolidated financial statements of the Corporation.

**Contingencies**

*Legal Contingencies*

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

*Tax Contingencies*

As initially disclosed in the June 2018 Interim Consolidated Financial Statements, the Canada Revenue Agency ("CRA") disagreed with a principal tax filing position during the audit of the December 31, 2014 taxation year even though the filing position had been accepted in prior taxation years. As a result, in October 2019, the Corporation received a notice of re-assessment for $12.0 million. In order to stop interest from accruing the Corporation remitted the full amount to the CRA. In August 2020 the CRA completed an audit of the December 31, 2015 and December 31, 2016 taxation years applying the CRA's interpretation of the principal filing position. The audit denied certain tax deductions which required a reallocation of loss carryforwards and the Corporation remitting $1.8 million in respect of interest.

The Corporation disagreed with the CRA audit division's position and filed a notice of objection with the Chief of Appeals. In February 2022, a response from the CRA Appeals division was received and proposed an alternative reassessment basis which, although different from the CRA audit's position, essentially maintains the 2014 to 2016 CRA audit reassessments. After six months of correspondence, the CRA Appeals division confirmed their position in letters received in August 2022 and notices of reassessment have been received. The Corporation will be refunded $1.6 million in respect of interest due to reallocation of loss carryforwards when the dispute is resolved. The $1.6 million is included in accounts receivable. The Corporation continues to assert its principal filing position is correct and has filed a notice of appeal to the Tax Court of Canada. Since the Corporation expects to recover the amounts remitted, the $12.2 million (2022 – $12.2 million) has been recorded in the consolidated financial statements as "*Deposit with taxation authority*". The Corporation does not expect the position taken by the CRA Appeals division to result in a material change to the income taxes payable in respect of its 2017-2023 taxation years.

**Off-Balance Sheet Arrangements**

*Indemnification Agreements*

The Corporation executes agreements that provide for indemnifications to third parties in the normal course of business. The Corporation has also agreed to indemnify its directors and officers and those of certain of its subsidiaries and to indemnify members of the Independent Review Committees of its managed products, to the extent permitted under corporate law, against costs and damages that may be incurred by such individuals as a result of lawsuits or any other proceedings in which they are sued as a result of their service. The nature of these agreements precludes the possibility of making a reasonable estimate of the maximum potential amount the Corporation could be required to pay third parties, as the agreements often do not specify a maximum amount and the amounts are dependent on the outcome of future contingent events, the nature and likelihood of which cannot be determined.

Historically, the Corporation has not made any payments under such indemnification agreements. No amounts have been recorded in these consolidated financial statements with respect to these indemnifications.

## 25. RELATED PARTY TRANSACTIONS

The ultimate controlling party of the Corporation is Jodamada Corporation. Other than as disclosed elsewhere in these consolidated financial statements, related party transactions and balances as at and for the years ended December 31, 2023 and 2022 are as described below.

**Compensation of Key Management**

Compensation and other fees paid to directors of the Corporation and to each of the Corporation's President and Chief Executive Officer, and the Executive Vice President and Chief Financial Officer of the Corporation are shown in the following table.

| For the years ended December 31, | | 2023 | | 2022 |
|---|---|---|---|---|
| Directors fees | $ | 711 | $ | 748 |
| Salaries and benefits | | 2,609 | | 2,557 |
| Stock based compensation | | 579 | | 692 |
| | **$** | **3,899** | **$** | **3,997** |

## 26. SEGMENTED INFORMATION

As the Corporation has executed on its investment strategy and divested non-core operations, such as its disposal of WCF in March 2023 (note 8), the Corporation determined that, based on how the Chief Operating Decision Maker ("CODM") currently assesses performance and allocates capital, the reporting segments consist of: (i) mining investments; (ii) mining services and (iii) corporate and others. The CODM assesses the performance and makes capital allocation decisions at the investment level for the Corporation's mining investments; therefore, each individual mining investment of the Corporation is a separate operating segment for financial reporting purposes. Operating segments are aggregated in the reporting segments listed above based on shared similar economic characteristics as well as their degree of alignment with the Corporation's strategic objectives.

The tabular information that follows shows data of these reportable segments reconciled to amounts reflected in these consolidated financial statements. Information for prior periods have been restated to conform to the change in segment reporting adopted in 2023.

Segment performance is evaluated based on a number of measures including net earnings or loss, net income or loss from portfolio investments, share of income or loss from equity accounted investments, and general and administrative expenses.

## Segmented Operations for the Years Ended December 31, 2023 and 2022

| For the year ended December 31, 2023 | Net (Loss) Income from Portfolios | Share of Equity (Loss) Income | Gain on exchange of Equity Investment | Revenues and Other Income * | Cost of Sales | General and Administration | Other Amounts in Earnings (Loss) ** | Net Earnings (Loss) |
|---|---|---|---|---|---|---|---|---|
| Mining Investments | $ (24,019) | $ (2,236) | $ 2,256 | $ - | $ - | $ - | $ - | $ (23,999) |
| Mining Services | - | (1,380) | - | 4,138 | (1,959) | (1,291) | (3,758) | (4,250) |
| Corporate and Others | 1,059 | (1,869) | - | 3,838 | - | (14,767) | (288) | (12,027) |
| Intersegment | - | - | - | (1,184) | - | - | 1,184 | - |
| **LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND NON-CONTROLLING INTEREST** | $ (22,960) | $ (5,485) | $ 2,256 | $ 6,792 | $ (1,959) | $ (16,058) | $ (2,862) | (40,276) |
| Income taxes | | | | | | | | 1,092 |
| Non-controlling interest | | | | | | | | 619 |
| **NET LOSS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO OWNERS OF THE CORPORATION** | | | | | | | | **$ (38,565)** |
| Discontinued operations | $ - | $ - | $ - | $ 1,028 | $ (1,239) | $ (150) | $ 113 | (248) |
| **NET LOSS FROM DISCONTINUED OPERATIONS ATTRIBUTABLE TO OWNERS OF THE CORPORATION** | | | | | | | | **$ (248)** |

| For the year ended December 31, 2022 | Net (Loss) Income from Portfolios | Share of Equity (Loss) Income | Gain on exchange of Equity Investment | Revenues and Other Income * | Cost of Sales | General and Administration | Other Amounts in Earnings (Loss) ** | Net Earnings (Loss) |
|---|---|---|---|---|---|---|---|---|
| Mining Investments | $ 23,535 | $ (525) | $ - | $ - | $ - | $ - | $ - | $ 23,010 |
| Mining Services | - | - | - | 3,872 | (3,072) | (1,975) | (2,281) | (3,456) |
| Corporate and Others | 30,030 | 4,805 | - | 5,752 | - | (23,360) | (2,159) | 15,068 |
| Intersegment | - | - | - | (970) | - | - | 970 | - |
| **EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND NON-CONTROLLING INTEREST** | $ 53,565 | $ 4,280 | $ - | $ 8,654 | $ (3,072) | $ (25,335) | $ (3,470) | 34,622 |
| Income taxes | | | | | | | | (5,629) |
| Non-controlling interest | | | | | | | | 1,120 |
| **NET LOSS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO OWNERS OF THE CORPORATION** | | | | | | | | **$ 30,113** |
| Discontinued operations | $ - | $ - | $ - | $ 4,876 | $ (5,155) | $ (806) | $ (11,921) | (13,006) |
| **NET LOSS FROM DISCONTINUED OPERATIONS ATTRIBUTABLE TO OWNERS OF THE CORPORATION** | | | | | | | | **$ (13,006)** |

* ***Revenues and other income***

- *Mining services segment includes technical services revenue of $3,146,000 (2022 – $3,864,000) and interest and other income of $992,000 (2022 – $8,000).*
- *Corporate and others segment includes management fee revenue of $475,000 (2022 – $662,000); financial services revenue of $nil (2022 – $1,945,000); real estate revenue of $81,000 (2022 – $199,000) and interest and other income of $3,282,000 (2022 – $2,946,000).*
- *Intersegment interest elimination of $1,184,000 (2022 – $970,000).*

** ***Other amounts in earnings or loss***

- *Mining services segment includes depreciation and amortization of $1,780,000 (2022 – $611,000) and interest expense of $1,955,000 (2022 – $1,701,000).*
- *Corporate and others segment includes depreciation and amortization of $238,000 (2022 – $449,000); impairment charge of $nil (2022 – $783,000); fair value loss of $221,000 (2022 – $1,528,000) and interest expense of $42,000 (2022 – $296,000).*
- *Intersegment interest elimination of $1,184,000 (2022 – $970,000).*

## Segmented Net Assets as at December 31, 2023

| | ASSETS | | | | | | LIABILITIES | | | | NET ASSETS |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cash and Cash Equivalents | Portfolio Investments | Equity Accounted Investments | Royalty and Other Intangible Assets | Other Assets | Total | Corporate Debt | Deferred Income Taxes | Other Liabilities | Total | |
| Mining Investments | $ - | $ 126,671 | $ 15,731 | $ 18,921 | $ - | $ 161,323 | $ - | $ - | $ - | $ - | $ 161,323 |
| Mining Services | 433 | - | 98 | 3,296 | 1,057 | 4,884 | (5,621) | - | (597) | (6,218) | (1,334) |
| Corporate and Others | 25,904 | 68,482 | 31,726 | - | 17,423 | 143,535 | (13,422) | - | (8,715) | (22,137) | 121,398 |
| **Total – Continuing Operations** | **$ 26,337** | **$ 195,153** | **$ 47,555** | **$ 22,217** | **$ 18,480** | **$ 309,742** | **$ (19,043)** | **$ -** | **$ (9,312)** | **$ (28,355)** | **$ 281,387** |

## Segmented Net Assets as at December 31, 2022

| | ASSETS | | | | | | LIABILITIES | | | | NET ASSETS |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cash and Cash Equivalents | Portfolio Investments | Equity Accounted Investments | Royalty and Other Intangible Assets | Other Assets | Total | Corporate Debt | Deferred Income Taxes | Other Liabilities | Total | |
| Mining Investments | $ - | $ 168,598 | $ 26,506 | $ - | $ - | $ 195,104 | $ - | $ - | $ - | $ - | $ 195,104 |
| Mining Services | 512 | - | - | 4,977 | 1,536 | 7,025 | (5,730) | - | (1,563) | (7,293) | (268) |
| Corporate and Others | 46,859 | 67,455 | 35,353 | - | 22,426 | 172,093 | - | (3,247) | (13,278) | (16,525) | 155,568 |
| | 47,371 | 236,053 | 61,859 | 4,977 | 23,962 | 374,222 | (5,730) | (3,247) | (14,841) | (23,818) | 350,404 |
| Less: Net assets and liabilities held-for-sale | (190) | - | - | | (1,611) | (1,801) | - | - | 1,580 | 1,580 | (221) |
| **Total – Continuing Operations** | **$ 47,181** | **$ 236,053** | **$ 61,859** | **$ 4,977** | **$ 22,351** | **$ 372,421** | **$ (5,730)** | **$ (3,247)** | **$ (13,261)** | **$ (22,238)** | **$ 350,183** |