

# DUNDEE GLOBAL RESOURCE CLASS



## ANNUAL REPORT

DECEMBER 31, 2015

The annual management report of fund performance contains financial highlights, but does not contain the complete semi-annual or annual financial statements of the Fund. For your reference, the annual financial statements of the Fund are attached to the annual management report of fund performance. You may obtain additional copies of these documents or a copy of the semi-annual financial statements at your request, and at no cost, by calling toll free 866.694.5672, by visiting our website at [www.goodmanandcompany.com](http://www.goodmanandcompany.com) or SEDAR at [www.sedar.com](http://www.sedar.com) or by writing to us at: Goodman & Company, Investment Counsel Inc., 1 Adelaide Street East, Suite 2100, Toronto, Ontario, M5C 2V9.

Securityholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.



# Dundee Global Resource Class

## MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

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The accompanying financial statements have been prepared by Goodman & Company, Investment Counsel Inc. (“GCICI”), in its capacity as manager (“Manager”) of Dundee Global Resource Class (the “Fund”). The Manager is responsible for the information and representations contained in these financial statements and the management report of fund performance.

GCICI maintains appropriate processes to provide reasonable assurance that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments made by GCICI. The significant accounting policies which GCICI believes are appropriate for the Fund are described in Note 3 to these financial statements.

The Manager has delegated responsibility for oversight of the financial reporting process to the Audit Committee of the Board of Directors of Dundee Corporation. The Audit Committee is responsible for reviewing the financial statements and the management report of fund performance and recommending them to the Manager for approval, in addition to meeting with management, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

PricewaterhouseCoopers LLP are the external auditors of the Fund, appointed by the Manager. The auditors of the Fund have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the limited partners their opinion on the financial statements. Their report is set out herein.

*(signed)*

LUCIE PRESOT  
Chief Financial Officer  
Goodman & Company , Investment Counsel Inc.

March 28, 2016

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

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### Investment Objective and Strategies

Dundee Global Fund Corporation (the “Corporation”) is a mutual fund corporation incorporated on January 20, 2015 under the laws of the Province of Ontario.

The authorized capital of the Corporation consists of an unlimited number of voting common shares and an unlimited number of up to 100 classes of non-voting, participating mutual fund shares, each issuable in series. As at December 31, 2015, the Corporation had issued one class of shares, the Dundee Global Resource Class (the “Fund”). The Fund aims to provide long-term capital appreciation by investing primarily in Canadian resource companies that offer attractive risk-reward characteristics as well as other Canadian equities that offer the potential for capital appreciation.

The Manager will invest primarily in both public and private junior and intermediate Canadian resource companies. The Manager will evaluate industry and company fundamentals to evaluate investment opportunities which offer the most attractive risk versus reward. Before an initial investment is made, a management interview is typically conducted to determine the important future drivers for shareholder value creation. In addition to the issuer’s strategic corporate plan, the strengths and weaknesses of the issuer’s management, board, and technical teams are assessed. The willingness of the management team to take different levels of risk to achieve their long term goals and the ability of the issuer to meet its stated goals and key financial metrics are also examined. Technical analysis is also employed in combination with the Manager’s fundamental research to assist in making timely decisions regarding the purchase and sale of investments. In support of the bottom up securities selection process, an understanding of the macro environment is developed using a wide range of industry contacts.

### Risks

The risks associated with investing in the Fund are as described in the prospectus and are incorporated by reference herein.

### Results of Operations<sup>1</sup>

For the period from commencement of operations on April 15, 2015, to December 31, 2015<sup>2</sup>, the Series A shares of the Fund generated a total return of approximately negative 6.4%. Over the same period, the S&P/TSX Composite Index returned negative 13.9%. Unlike the returns of this index, the Fund’s returns are reported net of all management fees and expenses. Readers are also cautioned that the Fund’s investment mandate is significantly different from the S&P/TSX Composite Index. The Fund’s performance is therefore not expected to equal the performance of the S&P/TSX Composite Index. It may be more helpful for investors to compare the Fund’s performance to that of other mutual funds with similar objectives and investment disciplines. The table below highlights the performance of all Fund series and their related benchmarks.

Percentage Return:	Since Inception	
	Series A	Series F
Net Asset Value	(6.4)	(6.3)
Benchmark Index <sup>(a)</sup>	(32.5)	(27.0)

- (a) The Benchmark Index encompasses approximately 25% each of the following indexes, S&P/TSX Composite Index, S&P/TSX Diversified Metals & Mining Subgroup Index, S&P/TSX Gold Subgroup Index and S&P/TSX Oil & Gas Exploration & Production Subgroup Index. The S&P/TSX Composite Index is a broad economic sector index comprising approximately 95% of the market capitalization for Canadian-based, Toronto Stock Exchange listed companies. The S&P/TSX Diversified Metals & Mining Subgroup Index, S&P/TSX Gold Subgroup Index and S&P/TSX Oil & Gas Exploration & Production Subgroup Index are sub-index of the S&P/TSX Composite index. The Series A return of the Benchmark Index reflects the period from commencement of operations of the Fund on April 15, 2015 to December 31, 2015, while the Series F return of the Benchmark Index reflects the period from commencement of operations of this Series on June 19, 2015 to December 31, 2015.

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<sup>1</sup> All references to net assets or net asset value in this section refer to Transactional NAV as defined in the Financial Highlights section, which may differ from IFRS Net Assets.

<sup>2</sup> Unless otherwise indicated, references to the period refer to the period from commencement of operations on April 15, 2015 to December 31, 2015 throughout this document.

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

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Following the trend of the past few years, 2015 saw commodity prices decline further, leading to resource equity prices hitting multi-year lows. From commencement of the Fund's operations on April 15, 2015, gold prices fell from \$1,202.34 to close the year at \$1,061. A strong US dollar and economy steered investors away from gold despite fears surrounding Europe and global terrorism. A weakening Chinese economy put downward pressure on copper prices, which fell to a five year low of \$2.10 per pound, down significantly since the inception of the Fund.

On the energy front, oil prices traded between \$50 and \$60 a barrel over the first six months of the year but fell below \$40 a barrel by the end of 2015. A weakening global economy limited demand while supply, even at the lower prices, continued to rise.

Given the backdrop of weaker commodity prices, resource equities continued their downward momentum of the past few years. Investors were attracted to companies producing free cash flow despite depressed commodity prices while they were quick to sell companies that produced negative results or had stressed balance sheets. There was not much positive news during the year, but when a company had (a) surpassed expectations or (b) produced great exploration results, investors swiftly increased their holdings in those companies. This was the case for the top three performing companies in the Fund which include Lundin Mining Corp., DealNet Capital Corp. and Belo Sun Mining Corp, all of which produced positive news. Conversely, without any good news to spur buying interest, even minor selling volume significantly drove prices down for some of mining companies. This was the case with Semafo Inc., Fission Uranium Corp, and Kinross Gold, which were the poorer performing stocks in the portfolio.

The following table highlights changes in both the Fund's transactional net asset value ("Transactional NAV") and net assets determined using International Financial Reporting Standards ("IFRS Net Assets") during the period. Refer to the financial highlights section for further information on the differences between Transactional NAV and IFRS Net Assets.

### Net Asset Value Comparison (\$CAD, in millions)

	Transactional NAV	IFRS Net Assets
Issuance of shares on rollover	\$40.8	\$40.8
Redemption of shares	(21.3)	(21.3)
Investment performance	(0.9)	(0.7)
Net fees and expenses <sup>(a)</sup>	(0.6)	(0.7)
<b>Balance, December 31, 2015</b>	<b>\$18.0</b>	<b>\$18.1</b>

(a) Net of interest and dividend income. Transaction costs are expensed in calculating IFRS Net Assets.

### Related Party Transactions

The following arrangements result in fees paid by the Fund to Goodman & Company, Investment Counsel Inc. ("GCICI" or the "Manager") or to companies affiliated with the Fund.

#### *Commissions and Related Brokerage Commissions*

Brokerage commissions of approximately \$68,000 were paid on securities transactions during the year. Of this amount, Dundee Securities Ltd. ("DSL"), an affiliate of GCICI, received approximately \$15,000. Soft dollar commissions, if any, represent amounts paid indirectly to third parties through a broker or dealer for services received by the Fund that do not pertain to trading execution. There were no soft dollar commissions paid by the Fund in either the current or prior year.

#### *Management Fees*

The Fund pays the Manager a management fee for the continuous advice, recommendations and services provided to the Fund. This includes acting as the manager, portfolio advisor and principal distributor to the Fund. The Manager is also responsible for the Fund's day-to-day operations. The Fund incurred a management fee, inclusive of sales tax, of approximately \$353,000 during the period.

#### *Operating Expenses and Administrative Services*

The Fund is responsible for operating expenses relating to the carrying on of its business, including custodial services, legal, independent review committee fees, audit fees, transfer agency services and the cost of financial and other reports in compliance with all applicable laws, regulations and policies. Such expenses are calculated and accrued daily. The Manager pays for such expenses on behalf of the Fund, except for certain expenses such as interest, and is subsequently reimbursed by the Fund. In addition, the Fund incurred expenses paid or payable to the Manager, or to companies affiliated with the Manager, of approximately \$106,000 for administrative services performed by the Manager during the period. As at

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

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December 31, 2015, the Fund owed the Manager approximately \$35,000 for expenses paid on the Fund's behalf.

### ***Performance Fee***

The Fund may also pay a performance fee to the Manager in respect of Series A and Series F Shares of the Fund. The performance fee, if payable, will equal 20% of the excess between the current net asset value per Share and the Hurdle NAVPS. Hurdle NAVPS means the greater of (i) the High Water Mark per Share, or (ii) the High Water Mark per Share multiplied by the sum of (A) 100% and (B) the Benchmark Performance.

High Water Mark means, with respect to a Share, the greater of: (i) the issuance price of such Share and (ii) the net asset value per Share on the last business day of any calendar year in which a performance fee was earned by the Manager, in each case excluding the effect of any distributions per Share made by the Fund to the net asset value of the Share. The Benchmark Performance means the average of the simple rates of return of the Benchmark Index as described above (see "*Results of Operations*"), during the period since a performance fee for the relevant series was last payable (or in respect of the first instance in which a performance fee may be payable, since inception of the Fund).

The performance fee will be calculated on the performance fee date and paid as soon as practicable thereafter. As at December 31, 2015, no performance fee was paid or payable to the Manager.

### ***Inter-Fund Trades***

The Fund may, from time to time, enter into security trades with other investment funds managed by the Manager. These trades will be executed through market intermediaries and under prevailing market terms and conditions. Any such trades will be executed in accordance with applicable securities laws, the Manager's policies and procedures and with the approval of the IRC (see "*Standing Instructions from the Independent Review Committee*" below).

### ***Underwriting of Securities***

The Fund may invest in securities offerings where Dundee Securities Ltd. ("DSL"), in its capacity as an investment dealer, acted as underwriter in the offering of the securities. For these transactions, the Manager will receive exemptive relief from securities regulatory authorities or receive approval from the IRC (see "*Standing Instructions from the Independent Review Committee*" below).

### ***Standing Instructions from the Independent Review Committee***

Pursuant to National Instrument 81-107 – "Independent Review Committee for Investment Funds", the Manager has appointed an independent review committee ("IRC") to oversee the Fund. Costs and expenses directly associated with the operations of the IRC, including remuneration of IRC members, are chargeable to the Fund. As at December 31, 2015, the IRC consisted of three members, all of whom are independent of the Manager. The Fund paid approximately \$11,000 for IRC fees for the period ended December 31, 2015.

The Fund received the following standing instructions with respect to related party transactions from the IRC:

- (i) paying brokerage commissions to DSL for effecting security transactions on an agency and principal basis on behalf of the Fund (referred to as "Related Brokerage Commissions");
- (ii) subject to receipt of exemptive relief in certain circumstances, purchases or sales of securities of an issuer from or to another investment fund managed by the Manager;
- (iii) executing foreign exchange transactions with DSL on behalf of the Fund; and
- (iv) participating in an underwriting involving DSL acting in its capacity as an investment dealer on behalf of the issuer.

The applicable standing instructions require the Manager to establish policies and procedures that it will follow with respect to related party transactions. The Manager is required to advise the IRC of any material breach of a condition of the standing instructions.

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

The standing instructions require, among other things, that the investment decision in respect to a related party transaction: (a) is made by the Manager, free from any influence by any related entity and without taking into account any consideration to the Manager or any associate or affiliate of the Manager; (b) represents the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund; and (c) is made in compliance with the Manager's written policies and procedures. Transactions made by the Manager, under the standing instructions are subsequently reviewed by the IRC to monitor compliance.

The Fund relied on IRC standing instructions regarding related party transactions during the period.

### Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the period indicated. The information on the following tables is based on prescribed regulations. As a result, subtotals are not expected to equal aggregate totals due to the decrease in net assets attributable to holders of redeemable shares being based on the weighted average number of shares outstanding during the period and all other numbers being based on actual number of shares outstanding at the relevant point in time.

#### *The Fund's Net Assets Attributable to Holders of Redeemable Shares per Share*<sup>(1)</sup> (Fund inception April 13, 2015)

	December 31, 2015	
	Series A	Series F
<b>Net assets attributable to holders of redeemable shares, beginning of period</b> <sup>(1)(2)</sup>	<b>\$10.00</b>	<b>\$10.00</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable shares:</b>		
Total revenue	\$0.03	\$0.01
Total expenses	(0.31)	(0.10)
Realized loss for the period	(0.39)	(0.09)
Unrealized gain for the period	0.09	0.05
<b>Total decrease in net assets attributable to holders of redeemable shares</b> <sup>(2)</sup>	<b>(\$0.58)</b>	<b>(\$0.13)</b>
<b>Net assets attributable to holders of redeemable shares, end of period</b> <sup>(1)(2)(6)</sup>	<b>\$9.44</b>	<b>\$9.45</b>

#### Ratios and Supplemental Data

Total net asset value (in 000's) <sup>(6)</sup>	\$17,488	\$487
Number of Shares outstanding	1,867,490	51,924
Management fee	2.00%	1.00%
Management expense ratio ("MER") <sup>(3)</sup>	2.87%*	2.16%*
MER before waivers or absorptions <sup>(3)</sup>	2.87%*	2.16%*
Trading expense ratio ("TER") <sup>(4)</sup>	0.29%	0.29%
Portfolio turnover rate <sup>(5)</sup>	118.01%	118.01%
<b>Net Asset value per Share</b> <sup>(6)</sup>	<b>\$9.36</b>	<b>\$9.37</b>

\* These percentages are annualized.

- (1) This information is derived from the Fund's financial statements. Net assets attributable to holders of redeemable shares per share presented in the financial statements may differ from net asset value calculated for pricing purposes. An explanation of these differences, if any, can be found in Note 6 below. Some of the \$nil balances reported in the Financial Highlights may include amounts that are rounded to zero.
- (2) Net assets attributable to holders of redeemable shares per share are based on the actual number of shares outstanding at the relevant time. The decrease in net assets attributable to holders of redeemable shares per Share is based on the weighted average number of Shares outstanding over the period.
- (3) The management expense ratio ("MER") is based on the total expenses (excluding commissions and other portfolio transaction costs) of the Fund for the stated period expressed as an annualized percentage of daily average net asset value during the period. The December 31, 2015 MER is an annualized MER, which is calculated in accordance with regulatory requirements.
- (4) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs of the Fund expressed as an annualized percentage of daily average net asset value of the Fund during the period.

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

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- (5) The Fund's portfolio turnover rate indicates how actively the portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to an investment fund buying and selling all of the securities in its portfolio once in the course of the fiscal period. The higher the portfolio turnover rate in a period, the greater the trading costs payable by an investment fund in the period and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of an investment fund. The portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period by the average market value of investments during the period.
- (6) National Instrument 81-106 – "Investment Fund Continuous Disclosure" ("NI 81-106") requires all investment funds to calculate net asset value for all purposes other than for financial statements in accordance with part 14.2, which differs in some respects from the requirements of IFRS. IFRS Net Assets includes Black-Scholes adjustments to the value of warrants held, whereas the Transactional NAV does not require such adjustments. A reconciliation between Transactional NAV and IFRS Net Assets is provided below.

	Total in \$000's	Per Unit (\$)
Transactional NAV Series A	17,488	9.36
Valuation adjustment Series A	145	0.08
<b>IFRS Net Assets</b>	<b>17,633</b>	<b>9.44</b>

	Total in \$000's	Per Unit (\$)
Transactional NAV Series F	487	9.37
Valuation adjustment Series F	4	0.08
<b>IFRS Net Assets</b>	<b>491</b>	<b>9.45</b>

### Management Fee

The Fund pays a management fee to its Manager for the sole provision of portfolio advisory services. The management fee is calculated at an annualized rate of 2% of the Transactional NAV of the Series A Shares and 1% of the Transactional NAV of the Series F Shares and is accrued daily and paid monthly.

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

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### Summary of Investment Portfolio as at December 31, 2015

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. Updates are available quarterly online ([www.goodmanandcompany.com](http://www.goodmanandcompany.com)), 60 days after quarter end, except for December 31, which is the fiscal year end, when they are available after 90 days.

By Country / Region	Percentage of Total Net Asset Value <sup>†</sup>
Canada	50.4

By Asset Type	Percentage of Total Net Asset Value <sup>†</sup>
Equities	50.4
Cash	50.4
Other Net Liabilities	(0.8)

By Industry	Percentage of Total Net Asset Value <sup>†</sup>
Gold and Precious Metals	21.7
Diversified Metals and Mining	12.2
Energy	12.0
Other	4.5

All Holdings	Percentage of Total Net Asset Value <sup>†</sup>
Cash	50.4
Nevsun Resources Ltd	7.6
Asanko Gold Inc.	5.6
Secure Energy Services Inc.	4.7
Primero Mining Corp.	4.3
NexGen Energy Ltd	4.0
Kinross Gold Corp.	3.5
Tamarack Valley Energy Ltd	3.3
Energizer Resources Inc.	3.1
Belo Sun Mining Corp.	2.7
DealNet Capital Corp.	2.5
Endeavour Mining Corp.	2.4
Kennady Diamonds Inc.	2.3
Burcon NutraScience Corp.	1.6
Talon Metals Corp.	1.5
Integra Gold Corp.	0.9
DealNet Capital Corp., Warrants, \$0.50 18FEB2017	0.4
Arena Minerals Inc., Warrants, \$0.35 18JUL2016	0.0
Coro Mining Corp., Warrants, \$0.15 22JAN2017	0.0
Talon Metals Corp., Warrants, \$0.45 06NOV2017	0.0

<sup>†</sup> This refers to Transactional NAV which was approximately \$17,975,000 as at December 31, 2015.

# Dundee Global Resource Class

## MANAGEMENT REPORT OF FUND PERFORMANCE

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### **Caution Regarding Forward-Looking Statements**

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements about the Fund, as applicable, including statements with respect to strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects and possible future Fund action is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, current assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, such as interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings and catastrophic events. We stress that the above mentioned list of important factors is not exhaustive.

We encourage readers to consider these and other factors carefully before making any investment decisions and we urge readers to avoid placing any undue reliance on forward-looking statements. Further, readers should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next management report of fund performance.

# Dundee Global Resource Class

## STATEMENT OF FINANCIAL POSITION

As at (in 000's of Canadian dollars except number of Shares and per Share amounts)	December 31, 2015
<b>Assets</b>	
<b>Current assets</b>	
Investments, at fair value	\$9,227
Cash	9,053
Accrued dividends	22
	<u>18,302</u>
<b>Liabilities</b>	
<b>Current liabilities</b>	
Accrued expenses	140
Management fee payable	33
Redemptions payable	5
	<u>178</u>
<b>Net assets attributable to holders of redeemable shares (Note 7)</b>	<b>\$18,124</b>
<b>Net assets attributable to holders of redeemable shares per series</b>	
<b>Series A</b>	\$17,633
<b>Series F</b>	491
	<u>\$18,124</u>
<b>Number of Shares outstanding (Note 7)</b>	
<b>Series A</b>	<b>1,867,490</b>
<b>Series F</b>	<b>51,924</b>
<b>Net assets attributable to holders of redeemable shares per share (Note 8)</b>	
<b>Series A</b>	<b>\$9.44</b>
<b>Series F</b>	<b>\$9.45</b>

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

# Dundee Global Resource Class

## STATEMENT OF COMPREHENSIVE LOSS

For the period ended (in 000's of Canadian dollars except number of Shares and per Share amounts)	December 31, 2015
<b>Income (Loss)</b>	
Interest income	\$5
Dividend income	56
Other changes in fair value of investments:	
Net change in unrealized appreciation in value of investments	222
Net realized loss on sale of investments	(940)
	<b>(657)</b>
<b>Expenses (Note 6)</b>	
Management fees	353
Shareholder administration costs	139
Shareholder reporting costs	103
Transaction costs	68
Audit fees	45
Custodian fees and bank charges	17
Legal fees	8
	<b>733</b>
<b>Decrease in net assets attributable to holders of redeemable shares</b>	<b>(\$1,390)</b>
<b>Decrease in net assets attributable to holders of redeemable shares per series</b>	
<b>Series A</b>	(\$1,387)
<b>Series F</b>	(3)
	<b>(\$1,390)</b>
<b>Decrease in net assets attributable to holders of redeemable shares per share (Note 9)</b>	
<b>Series A</b>	<b>(\$0.58)</b>
<b>Series F</b>	<b>(\$0.13)</b>

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

## Dundee Global Resource Class

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES

For the period ended (in 000s of Canadian dollars)	Series A	Series F	Total
<b>Balance, April 16, 2015</b>	\$-	\$-	\$-
Issuance of shares on rollover transactions	40,804	-	40,804
Conversion of shares	(511)	511	-
Decrease in net assets attributable to holders of redeemable shares	(1,387)	(3)	(1,390)
Redemption of redeemable shares	(21,273)	(17)	(21,290)
<b>Balance, December 31, 2015</b>	<b>\$17,633</b>	<b>\$491</b>	<b>\$18,124</b>

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

# Dundee Global Resource Class

## STATEMENT OF CASH FLOWS

For the period ended	December 31,
(in 000s of Canadian dollars)	2015
<b>Operating activities:</b>	
Decrease in net assets attributable to holders of redeemable shares	(\$1,390)
Adjustments for:	
Net change in unrealized appreciation in value of investments	(222)
Net realized loss on sale of investments	940
Investments purchased	(11,463)
Transaction costs	-
Proceeds from sale of investments	9,963
Increase in accrued dividends	(22)
Increase in redemptions payable	-
Increase in accrued expenses and management fee payable	173
<b>Net cash used in operating activities</b>	<b>(2,021)</b>
<b>Financing activities:</b>	
Cash acquired from rollover	32,611
Net liabilities assumed on rollover	(251)
Redeemed shares	(21,286)
<b>Net cash provided by financing activities</b>	<b>11,074</b>
Net cash provided during the period	9,053
Cash, beginning of period	-
<b>Cash, end of period</b>	<b>\$9,053</b>
<b>Cash flows from operating activities include:</b>	
Interest received	\$5
Dividends received	\$33

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

# Dundee Global Resource Class

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2015

	Number of Shares	Cost† (000's)	Carrying Value (000's)
<b>EQUITIES AND WARRANTS (50.9%)</b>			
<b>Diversified Metals and Mining (12.3%)</b>			
Coro Mining Corp., Warrants, \$0.15 Jan. 22, 17*	2,000,000	\$-	\$9
Energizer Resources Inc.	6,516,714	523	554
Nevsun Resources Ltd	365,000	1,341	1,369
Talon Metals Corp.	2,046,000	307	261
Talon Metals Corp., Warrants, \$0.45 Nov. 06, 17*	1,250,000	-	42
		<b>2,171</b>	<b>2,235</b>
<b>Energy (11.9%)</b>			
NexGen Energy Ltd	1,000,000	751	720
Secure Energy Services Inc.	100,000	787	836
Tamarack Valley Energy Ltd	200,000	552	598
		<b>2,090</b>	<b>2,154</b>
<b>Gold and Precious Metals (22.0%)</b>			
Arena Minerals Inc., Warrants \$0.35 Jul. 18, 16*	1,250,000	-	58
Asanko Gold Inc.	500,000	971	1,015
Belo Sun Mining Corp.	1,950,000	400	488
Endeavour Mining Corp.	55,750	390	425
Integra Gold Corp.	500,000	163	170
Kennady Diamonds Inc.	140,000	652	421
Kinross Gold Corp.	250,000	731	628
Primero Mining Corp.	250,000	854	780
		<b>4,161</b>	<b>3,985</b>
<b>Other (4.7%)</b>			
Burcon NutraScience Corp.	136,622	361	280
DealNet Capital Corp.	625,000	250	456
DealNet Capital Corp., Warrants, \$0.50 Feb. 18, 17*	312,500	-	117
		<b>611</b>	<b>853</b>
<b>COST AND CARRYING VALUE OF INVESTMENTS (50.9%)</b>		<b>9,033</b>	<b>9,227</b>
<b>TRANSACTION COSTS (0.0%) (Note 3)</b>		<b>(29)</b>	<b>-</b>
<b>TOTAL COST AND CARRYING VALUE OF INVESTMENTS (50.9%)</b>		<b>\$9,004</b>	<b>\$9,227</b>

Average cost or fair values of some securities may include non-zero amounts that are rounded to zero.

†Where applicable, distributions received from holdings as a return of capital are used to reduce the adjusted cost base of the securities in the portfolio.

\* These securities have no quoted market values and are valued using valuation techniques.

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

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. The Fund

#### a) Organization of the Fund

Dundee Global Fund Corporation (the “Corporation”) is a mutual fund corporation incorporated on January 20, 2015 under the laws of the Province of Ontario. The registered office of the Corporation is located at 1 Adelaide Street East, Suite 2100, Toronto, Ontario, M5C 2V9.

The authorized capital of the Corporation consists of an unlimited number of voting common shares and an unlimited number of up to 100 classes of non-voting, participating mutual fund shares, each issuable in series. As at December 31, 2015, Goodman & Company, Investment Counsel Inc. (“GCICI” or the “Manager”) was the owner and beneficial owner of 100% of the outstanding common shares.

As at December 31, 2015, the Corporation had issued one class of shares, the Dundee Global Resource Class (the “Fund”). The Fund aims to provide long-term capital appreciation by investing primarily in Canadian resource companies that offer attractive risk-reward characteristics as well as other Canadian equities that offer the potential for capital appreciation. The Fund was formed on April 13, 2015, and Fund shares (the “Shares”) were issued on April 15, 2015. The principal office of the Fund is located at 1 Adelaide Street East, Suite 2100, Toronto, Ontario, M5C 2V9.

On April 15, 2015, CMP 2013 Resource Limited Partnership (“CMP 2013”) completed a rollover of its net assets of approximately \$40,800,000 into the Fund in exchange for approximately 4,080,000 series A Shares of the Fund, which were distributed to limited partners of CMP 2013 on April 20, 2015. Limited partners of CMP 2013 received 62.1280 series A Shares of the Fund for each unit of CMP 2013 held as of April 15, 2015. This transaction is accounted for as a subscription-in-kind, and is presented in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Shares as “Issuance of shares on rollover transaction”.

These financial statements were approved for issue by the Board of Directors of the Manager on March 28, 2016.

#### b) Manager

In accordance with the terms and conditions of the management agreement, the Fund has retained the Manager as the investment fund manager of the Fund. The Manager is responsible for providing investment, management, administrative and other services to the Fund. The Manager is a wholly owned subsidiary of Dundee Corporation, a public Canadian independent holding company listed on the Toronto Stock Exchange under the symbol “DC.A”.

#### c) Financial Reporting Dates

The Statement of Financial Position is as at December 31, 2015. The Statements of Comprehensive Loss, Changes in Net Assets Attributable to Holders of Redeemable Shares, and Cash Flows are for the period from commencement of operations of the Fund on April 15, 2015 to December 31, 2015. Throughout this document, reference to the period refers to the reporting period described here.

These financial statements present the financial position and results of operations of the Fund as a separate reporting entity.

### 2. Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

### 3. Summary of Significant Accounting Policies

#### a) Fair Value Measurement

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Fund's prospectus, investment positions are valued based on the last traded market price for the purpose of determining the transactional net asset value (“Transactional NAV”) per Share. For financial reporting purposes, the Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value.

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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### b) Financial Instruments

The Fund recognizes financial instruments at fair value upon initial recognition, plus transaction costs in cases pertaining to financial instruments measured at amortized cost. The Fund's investments are classified as financial instruments carried at fair value through profit or loss ("FVTPL"). Some of the Fund's investments have been classified as financial instruments at FVTPL as they meet the criteria for designation as held-for-trading ("HFT") securities. The Fund has elected to designate other investments that do not meet the HFT criteria as financial assets at FVTPL ("Designated FVTPL").

### c) Other Assets and Liabilities

"Cash" and "Accrued dividends" are financial instruments designated as loans and receivables and are recorded at amortized cost. Similarly, "accrued expenses", "management fee payable", and "redemptions payable" are financial instruments designated as other financial liabilities and are recorded at amortized cost. Amortized cost approximates fair value for these assets and liabilities, as they are short term in nature.

Under the amortized cost method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

### d) Investment Transactions

Investment transactions are recorded on a trade date basis. The cost of investments represents the amount paid for each security, excluding transaction costs.

### e) Transaction Costs

Transaction costs are incremental costs directly attributable to the acquisition, issuance or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges and transfer taxes and duties. Transaction costs related to financial instruments measured at FVTPL are expensed as incurred.

### f) Income Recognition/Derecognition

The Fund recognizes financial assets or liabilities designated at FVTPL on the trade date, which is the date it commits to purchase the instruments. From this date, any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the Statement of Comprehensive Loss.

Financial assets are derecognized when the contractual rights to the cash flows from the asset expire or the financial asset and substantially all the risks and rewards of ownership of the asset have been transferred to another entity. The Fund derecognizes financial liabilities when the Fund's obligations are discharged, cancelled or expired.

Interest income is accrued as earned and dividend income is recognized on the ex-dividend date.

### g) Decrease in Net Assets Attributable to Holders of Redeemable Shares per Share

The "Decrease in Net Assets Attributable to Holders of Redeemable Shares per Share" is disclosed in the Statement of Comprehensive Loss and represents the decrease in net assets attributable to holders of redeemable shares for each series for the period divided by the weighted average number of Shares of each series outstanding during the period. Refer to Note 9 for the calculation of the Decrease in Net Assets Attributable to Holders of Redeemable Shares per Share.

### h) Allocation of Income and Expenses to Series of Shares

On each day that the Toronto Stock Exchange is open for business (the "Valuation Date"), the income earned and common expenses incurred since the previous Valuation Date are allocated proportionately amongst all series of Shares outstanding as of the previous Valuation Date, based on such series' respective net asset values. For the period from commencement of operations of the Fund on April 15, 2015 to December 31, 2015, no series specific operating expenses were incurred by the Fund.

### i) Non-zero Amounts

Some of the balances reported in the financial statements may include amounts that are rounded to zero.

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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### j) **Accounting Standards Issued but Not Yet Adopted**

The final version of IFRS 9 - *Financial Instruments* ("IFRS 9"), was issued by the International Accounting Standards Board in July 2014 and will replace IAS 39 - *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 introduces a model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. The new single, principle based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of an entity's own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Fund has yet to assess the full impact of IFRS 9 to its financial statements, and it has not yet determined whether it will be adopted earlier than the required date of implementation.

### 4. **Critical Accounting Estimates and Judgments**

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Manager has made in preparing the financial statements.

#### a) **Classification and Measurement of Investments and Application of the Fair Value Option**

Significant judgment is applied by the Fund in determining whether financial instruments that do not meet the HFT criteria may be classified as Designated FVTPL. In determining whether a financial instrument may be classified as Designated FVTPL, the Fund must assess whether the financial instrument is part of a group of financial instruments that is managed and its performance evaluated on a fair value basis in accordance with a specified investment strategy.

#### b) **Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market**

Key areas of estimation, where the Manager has made complex or subjective judgments, include the determination of fair values of financial instruments that are not quoted in an active market. The fair value of financial assets and liabilities that are not quoted in an active market is determined using valuation techniques. The use of valuation techniques for financial instruments that are not quoted in an active market requires the Manager to make assumptions that are based on market conditions existing as at the date of the financial statements. Changes in these assumptions as a result of changes in market conditions could affect the reported fair value of financial instruments. Valuation techniques used include the application of liquidity discounts to quoted market prices, comparable recent arm's-length transactions, option pricing models and other valuation techniques commonly used by market participants.

### 5. **Taxation**

#### a) **Taxation of Mutual Fund Corporations**

The Corporation qualifies as a mutual fund corporation under the Income Tax Act (Canada) and has a December 31st tax year end. Mutual fund corporations are subject to a 33.33% refundable tax on taxable dividends received from taxable Canadian corporations. This tax is refunded to the corporation at a rate of \$1 for every \$3 of taxable dividends paid in the future to shareholders. Any such tax paid is reported as an amount receivable until recovered through payment of dividends to shareholders. The Corporation is also subject to corporate tax rates on taxable capital gains and other income. Any tax on taxable capital gains is refundable on a formula basis when its shares are redeemed or when gains are distributed to shareholders as capital gains dividends. As a result of the Corporation's ability to receive refund of taxes in respect of dividends and taxable capital gains and availability of sufficient operating expenses to offset other income, the Corporation does not record any provision for income taxes.

#### b) **Losses Carried Forward**

The Corporation may accumulate net capital losses and non-capital losses. Net capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses realized in taxation years ending after 2005 may be carried forward up to twenty years. As at December 31, 2015, the Corporation did not have any capital or non-capital losses available to carry forward.

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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### 6. Expenses and Related Party Transactions

#### a) Management Fee

The Fund pays the Manager a management fee for the continuous advice, recommendations and services, including key management personnel, provided to the Fund. This includes acting as the manager, portfolio advisor and principal distributor to the Fund. The Manager is also responsible for the Fund's day-to-day operations.

The management fee is an annualized rate of 2% plus taxes based on the Transactional NAV of the Series A Shares and 1% plus taxes based on the Transactional NAV of the Series F Shares and is accrued daily and paid monthly as a percentage of the month end Transactional NAV, in accordance with the terms of the management agreement for the Fund.

In consideration for portfolio advisory services received from the Manager, the Fund incurred a management fee, inclusive of sales tax, of approximately \$353,000 for the period ended December 31, 2015.

#### b) Performance Fee

The Fund may also pay a performance fee to the Manager in respect of Series A and Series F Shares of the Fund. The performance fee, if payable, will equal 20% of the excess between the current net asset value per Share and the Hurdle NAVPS. Hurdle NAVPS means the greater of (i) the High Water Mark per Share, or (ii) the High Water Mark per Share multiplied by the sum of (A) 100% and (B) the Benchmark Performance.

High Water Mark means, with respect to a Share, the greater of: (i) the issuance price of such Share and (ii) the net asset value per Share on the last business day of any calendar year in which a performance fee was earned by the Manager, in each case excluding the effect of any distributions per Share made by the Fund to the net asset value of the Share. The Benchmark Performance means the average of the simple rates of return of (i) the S&P/TSX Oil & Gas Exploration & Production Subgroup Index; (ii) the S&P/TSX Diversified Metals & Mining Subgroup Index; (iii) S&P/TSX Gold Subgroup Index; and (iv) the S&P/TSX Composite Index, during the period since a performance fee for the relevant series was last payable (or in respect of the first instance in which a performance fee may be payable, since inception of the Fund).

The performance fee will be calculated on the performance fee date and paid as soon as practicable thereafter. As at December 31, 2015, no performance fee was paid or payable to the Manager.

#### c) Operating Expenses and Administrative Services

The Fund is responsible for its operating expenses relating to the carrying on of its business, including custodial services, legal, independent review committee fees, audit fees, transfer agency services and the cost of financial and other reports in compliance with all applicable laws, regulations and policies. Such expenses are accrued daily. The Manager pays for such expenses on behalf of the Fund, except for certain expenses such as interest, and is subsequently reimbursed by the Fund. As at December 31, 2015, the Fund owed the Manager approximately \$35,000 for expenses paid on the Fund's behalf.

In addition, the Fund incurred expenses paid or payable to the Manager, or to companies affiliated with the Manager, of approximately \$106,000 for administrative services performed by the Manager during the period.

#### d) Brokerage Commissions

Brokerage commissions of approximately \$68,000 were paid on securities transactions during the year. Of this amount, Dundee Securities Ltd. ("DSL"), an affiliate of GCICI, received approximately \$15,000. Soft dollar commissions, if any, represent amounts paid indirectly to third parties through a broker or dealer for services received by the Fund that do not pertain to trading execution. There were no soft dollar commissions paid by the Fund in either the current or prior year.

#### e) Standing Instructions from the Independent Review Committee

Pursuant to National Instrument 81-107 – "*Independent Review Committee for Investment Funds*", the Manager has appointed an independent review committee ("IRC") to oversee the Fund. Costs and expenses directly associated with the operations of the IRC, including remuneration of IRC members, are chargeable to the Fund. As at December 31, 2015, the IRC consisted of three members, all of whom are independent of the Manager. The Fund paid approximately

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

\$11,000 for IRC fees for the period ended December 31, 2015. These costs are included in "Shareholder reporting costs" on the Statement of Comprehensive Loss.

### 7. Redeemable Shares

Shares of the Fund are redeemable at the option of the shareholder in accordance with the terms of the Prospectus at their NAV. The capital of the Fund is managed in accordance with the Fund's investment objectives, policies and restrictions, as outlined in the Fund's prospectus. The Shares were issued at a price of \$10 per Share, subject to a minimum subscription of \$1,000.

Under IFRS, International Accounting Standard 32, *Financial Instruments: Presentation*, ("IAS 32") requires that units or shares of an entity which include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The Funds' units do not meet the criteria in IAS 32 for classification as equity and therefore, have been classified as financial liabilities for financial reporting purposes.

The movements in the outstanding Shares are outlined in the following table.

Number of Outstanding Shares	December 31, 2015	
	Series A	Series F
Beginning of period	–	–
Shares issued from rollover transaction	4,080,442	–
Conversion of shares	(53,812)	53,853
Shares redeemed	(2,159,140)	(1,929)
<b>End of period</b>	<b>1,867,490</b>	<b>51,924</b>

### 8. Comparison of IFRS Net Assets per Share and Transactional NAV per Share

The table below provides a comparison of Net Assets per Share under IFRS and Transactional NAV per Share. The primary reasons for the difference between these two amounts relate to the valuation of warrants as described in Note 4.

	December 31, 2015	
	Series A	Series F
Transactional NAV per Share	\$9.36	\$9.37
IFRS Net Assets per Share	\$9.44	\$9.45

### 9. Decrease in Net Asset Attributable to Holders of Redeemable Shares per Share

The decrease in net asset attributable to holders of redeemable shares per Share for the period ended December 31, 2015 is calculated as follows:

	December 31, 2015	
	Series A	Series F
Decrease in net asset attributable to holders of redeemable shares (in 000's)	(\$1,387)	(\$3)
Weighted average of Shares outstanding during the period	2,392,850	22,426
<b>Decrease in net asset attributable to holders of redeemable shares per share</b>	<b>(\$0.58)</b>	<b>(\$0.13)</b>

### 10. Risks Associated with Financial Instruments

The investment activities of the Fund expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and other price risk) and concentration risk. The Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitor the Fund's optimal asset mix and market events, as well as diversify the investment portfolio within the constraints of the Fund's investment objective.

To assist in managing risks, the Manager has established and maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment objectives and guidelines. Significant risks that are relevant to the Fund are discussed below.

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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### ***Credit Risk***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the counterparty by failing to discharge an obligation. The Fund may become exposed to credit risk from the purchase of debt instruments, engaging in securities transactions (including warrants) or through the use of custody, loan and/or bank accounts, as applicable.

The Fund had no significant exposure to debt instruments as at December 31, 2015.

All investment transactions are settled on delivery, minimizing the risk of default on investment transactions. Delivery of securities on a sale is only made once the custodian has received payment and, conversely, payment is only made on a purchase once the securities have been delivered to the custodian. The trade will fail if either party fails to meet its obligations. When the Fund trades in listed or unlisted securities through a broker, the Fund only transacts with reputable brokers that are duly registered with applicable securities regulators. In addition, custody transactions are carried out by counterparties that have a Standard & Poor's credit rating of "A" or higher. As such, credit risk tied to securities transactions is considered minimal.

The Fund only deposits assets with reputable companies that are eligible to act as a custodian under the provisions of National Instrument 81-102 – "Investment Funds". However, in the event of bankruptcy or insolvency of such companies, the securities or other assets deposited therewith may be exposed to credit risk, or access to those securities or other assets may be delayed or limited.

### ***Liquidity Risk***

Liquidity risk is the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price. In order to maintain sufficient liquidity, the Fund invests the majority of its assets in securities that are traded in an active market and can be readily disposed. The Fund also invests in securities that are not traded in an active market and may be illiquid. Such investments are identified as restricted securities in the Schedule of Investment Portfolio. In addition, the Fund aims to retain sufficient cash positions to maintain liquidity.

The financial liabilities disclosed in the Statement of Financial Position are all current liabilities, and are therefore normally paid within the fiscal year.

### ***Interest Rate Risk***

Interest rate risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Fund had no significant exposure to interest rate risk as at December 31, 2015.

### ***Currency Risk***

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Exposure to currency risk is mainly in financial instruments (including cash) that are denominated in a currency other than Canadian dollars, which is the functional currency of the Fund. The Fund had no significant exposure to currency risk as at December 31, 2015.

### ***Other Price Risk***

Other price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. Exposure to other price risk is mainly in equities and commodities, if applicable. As at December 31, 2015, approximately \$9,227,000 of the Fund's net asset attributable to holders of redeemable shares were exposed to other price risk. If prices of these investments had decreased or increased by 5%, before considering changes to management and performance fees, net assets attributable to holders of redeemable shares of the Fund would have decreased or increased, respectively, by approximately \$461,000.

# Dundee Global Resource Class

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

### Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, or industry sector. The following is a summary of the Fund's concentration risk.

As a Percentage of Net Assets (%)	December 31, 2015
<b>EQUITIES AND WARRANTS</b>	<b>50.9</b>
Diversified Metals and Mining	12.3
Energy	11.9
Gold and Precious Metals	22.0
Other	4.7

### 11. Fair Value Hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

*Level 1* – Inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 financial instruments include actively listed equities and other publicly quoted investments. The Manager does not adjust the quoted price for these instruments.

*Level 2* – Inputs to the valuation methodology include inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument, including quoted prices for similar assets and liabilities in active markets. Level 2 financial instruments include those that trade in markets that are not considered to be active but are valued based on quoted market prices or dealer quotations supported by observable inputs. These include investment-grade corporate bonds, warrants not listed in an active market, and certain listed equities that are subject to sale restrictions, whose valuations may be adjusted to reflect illiquidity.

*Level 3* – Inputs to the valuation methodology are based on unobservable market data. Level 3 financial instruments are those that have at least one significant unobservable input, as they are not based on quoted market prices. Level 3 instruments include private equity and private debt securities. As observable prices are not available for these securities, the Manager has used valuation techniques to derive fair value. Level 3 valuations are reviewed on a quarterly basis by the Fund's valuation committee, which evaluates the model inputs as well as the valuation results prior to making any fair value determinations regarding the Fund's Level 3 financial instruments.

The following table summarizes the fair value hierarchy of the Fund's financial instruments as at December 31, 2015.

December 31, 2015				
(in 000's)	Level 1	Level 2	Level 3	Total
Equities	\$9,001	\$-	\$-	\$9,001
Warrants	-	226	-	226
<b>Total Financial Instruments</b>	<b>\$9,001</b>	<b>\$226</b>	<b>\$-</b>	<b>\$9,227</b>

### Financial Instruments by Category

The following table presents the carrying amounts of the Fund's financial instruments by category. All of the Fund's financial liabilities were carried at amortized cost.

December 31, 2015				
Financial Assets (in 000's)	Designated FVTPL	HFT	Loans and Receivables	Total
Investments, at fair value	\$9,001	\$226	\$-	\$9,227
Cash	-	-	9,053	9,053
Accrued dividends	-	-	22	22
<b>Total</b>	<b>\$9,001</b>	<b>\$226</b>	<b>\$9,075</b>	<b>\$18,302</b>

## Dundee Global Resource Class

### NOTES TO THE FINANCIAL STATEMENTS (cont'd)

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The following table presents the net loss on financial instruments at FVTPL by category for the period ended December 31, 2015.

	<b>December 31, 2015</b>
<b>Financial assets at FVTPL (in 000's)</b>	
HFT	\$226
Designated FVTPL	(888)
<b>Total</b>	<b>(\$662)</b>

## **Independent Auditor's Report**

### **To the Shareholders of Dundee Global Resource Class (the Fund)**

We have audited the accompanying financial statements of the Fund, which comprise the statement of financial position as at December 31, 2015 and the statements of comprehensive income, changes in net assets attributable to holders of redeemable shares and cash flows for the period from April 15, 2015 (commencement of operations) to December 31, 2015, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the financial statements**

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

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2015 and its financial performance and its cash flows for the period from April 15, 2015 (commencement of operations) to December 31, 2015 in accordance with International Financial Reporting Standards.

*PricewaterhouseCoopers LLP*

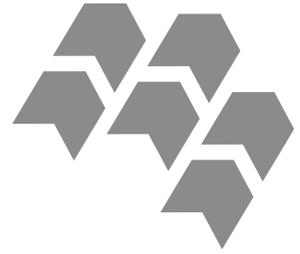
**Chartered Professional Accountants, Licensed Public Accountants**

Toronto, Ontario  
March 28, 2016

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## DUNDEE GLOBAL RESOURCE CLASS

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