

B #:	0341-13
Date:	03/19/13
To:	All Participants
Category:	Dividends
From:	Supervisor, Stock Dividend Department
Attention:	Dividend Managers, Cashiers, and Reorganization Managers
Subject:	Rights Offering: Dundee Energy Ltd CUSIP: 26518Q102 Rights CUSIP: 26518Q110 Record Date: 03/12/13 Expiration Date & Time: 04/04/13 at 5:00 p.m. Toronto Time Rate: 1:1

*****WARNING TIME CRITICAL*****

Dundee Energy Ltd is offering Transferable Rights to holders as of close of business 03/12/13 (the Record Date). Each holder is entitled to one Right for common share held. The Rights expire on 04/04/13 at 5:00 p.m. Toronto time. The Rights are subject to certain restrictions for holders in non-qualifying jurisdiction.

DTC will NOT allocate Rights.

The eligible jurisdictions for this Rights Offering are the provinces and territories of Canada. This offering is only being made eligible to record holders in the provinces and territories of Canada. The Rights certificates will not be mailed to ineligible shareholders. Rights in respect of shares held by ineligible holders will be sent a letter advising them that their Rights certificates will be issued to and held by the Subscription Agent, which will hold those rights as agent for the benefit of all ineligible shareholders.

Eligible holders wishing to have the rights released to them must send a medallion guaranteed indemnity letter instructing DTC to adjust their accounts accordingly to the attention of Beverly Ifill or Keddhy Guignard, of DTC's Stock Dividend Department, via fax at 813-470-1097 or email to stockdividendprocessing@dtcc.com, no later than 5.00 P.M. N.Y. time on 03/22/13. The address stated in the instructions must be in an eligible jurisdiction. Participants must contact Beverly Ifill at 813-470-1593 or Keddhy Guignard at 813-470-1178 to confirm receipt of the instructions. The instructions will be processed only after acceptance by the Subscription Agent. **Participants will be responsible for receiving their Rights from the Subscription Agent.**

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

Non-Confidential

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The Subscription Agent will hold the rights of Ineligible Shareholders until ten (10) calendar days prior to the rights expiry date. After such time, the Subscription Agent will attempt to sell such Rights in the open market, on a best efforts basis.

Non qualifying participants that wish to take part in the rights distribution must contact dunderightoffer@computershare.com for instructions, and request **FORM 1** or call (877) 477 1576 for the non-qualifying package. They must complete **FORM 1** and return the completed form to the Subscription Agent. DTC will be notified by Computershare that valid instructions have been received. DTC will then contact the Participant requesting that a medallion guaranteed indemnity letter be submitted instructing DTC to adjust their accounts accordingly.

Rights returned to the Subscription Agent as undeliverable will not be sold by the Subscription Agent and no proceeds of sale will be credited to such holders.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY FUNCTION (DIVA), SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY.

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS), FUNCTION CODE 52, FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND ANY EXTENSIONS TO THE EXPIRATION DATE.

If participants have any questions regarding this Important Notice, they may contact DTC's Customer Help Center at (888) 382-2721.

If participants have a question regarding this Rights Offering, please contact Computershare the Subscription Agent via:

Telephone: (877) 477-1576

Email: corporateactions@computershare.com,

Hand or Courier: 9th floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 Canada

Attention: Corporate Actions

Mail: P.O. Box 7021, 31 Adelaide Street E, Toronto, Ontario M5C 3H2 Canada

Attention: Corporate Actions.

Important Legal Information: *The Depository Trust Company ("DTC") does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages. To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that maybe imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.*

YOUR COMPANY LETTERHEAD

Date: _____

Depository Trust & Clearing Corp.
55 Water Street
New York, NY 10041
Attn: _____

Re: _____ CUSIP#: _____

Sir/Madam: _____

On record date _____, we held _____ shares at DTC on behalf of beneficial owners, entitling us to receive _____ rights.

We hereby certify that all shares are beneficially owned by shareholders residing in the qualifying jurisdictions. These holders are therefore entitled to receive the rights, please accept this letter as authorization to have rights released to us in the name of _____.

In consideration of honoring this request, the undersigned agrees for itself and its successors, assigns, heirs, executors, and administrators, to at all times indemnify and hold harmless The Depository Trust Company and each of its nominees, affiliates, agents, directors, officers, and employees against any and all claims, liabilities, losses, expenses (including, without limitation, court costs, attorney's fees, and disbursements), suits or damages to which they may become subject, arising out of, based upon, or related to this action.

We represent and warrant that we are duly authorized to execute this indemnity.

Sincerely,

Name: _____

Title: _____

Company Name: _____

Participant Number: _____

Phone #: _____

E-mail: _____

Place Medallion Signature Guarantee Stamp Here