

Dundee Energy Limited to Explore a Potential Sale of Oil and Gas Assets in Ontario

TORONTO, Sept. 14, 2017 /CNW/ - Dundee Energy Limited ("Dundee Energy" or the "Corporation") (TSX: DEN) today announced that it has commenced a sale solicitation process for the sale of its oil and gas assets in Ontario which are managed by Dundee Energy Limited Partnership ("DELP" or the "Company") (a wholly owned entity of the Corporation).



On August 16, 2017, with the authorization and approval of its board of directors (the "Board"), the Company commenced insolvency proceedings by filing a Notice of Intention to Make a Proposal ("NOI") pursuant to the provisions of the *Bankruptcy and Insolvency Act (Canada)* ("BIA"). FTI Consulting Canada Inc. has been appointed as the trustee under the NOI (the "Proposal Trustee"). The principal purpose of the NOI filing is to create a stabilized environment for the Company and the Proposal Trustee to run a court-supervised sale solicitation process ("SSP") with the goal of identifying one or more parties interested in submitting proposals to purchase some or all of the business, properties and/or assets of the Company (collectively the "Business") and to implement one or a combination of those proposals to purchase some or all of the Business.

The decision to file the NOI was made by the Board in response to the notice received on July 21, 2017 from the lenders under the amended and restated credit agreement dated July 31, 2012, as amended (the "Credit Agreement"), demanding repayment in full of the outstanding principal amount under the Credit Agreement (including all accrued and unpaid interest and expenses payable under the Credit Agreement). The lenders under the Credit Agreement have entered into a forbearance agreement and are supporting DELP in the reorganization proceedings.

The Company obtained an order from the Ontario Superior Court of Justice (the "Court") approving the terms of the SSP. The Company's objective is to complete the SSP by the first half of December 2017.

Court materials and other information about the proposal proceedings will be available on the Proposal Trustee's website at <http://cfcanada.fticonsulting.com/Dundee/>.

There can be no assurance that the Company will be successful in its efforts under the SSP or that the Court will approve the SSP or any competing bid that may emerge from the SSP.

About Dundee Energy Limited

Dundee Energy Limited is a Canadian-based oil and natural gas company with a mandate to create long-term value for its shareholders through the exploration, development, production and marketing of oil and natural gas, and through other high impact energy projects. Dundee Energy holds interests, both directly and indirectly, in the largest accumulation of producing oil and gas assets in Ontario and, through a preferred share investment, in certain exploration and evaluation programs for oil and natural gas offshore Tunisia.

Forward-Looking Statements

This press release contains forward-looking information and forward-looking statements which reflect the current view of Dundee with respect to the Corporation's objectives, plans, goals, strategies, financial condition, performance and prospects. Wherever used, the words "may", "will", "anticipate", "intend", "estimate", "expect", "plan", "believe" and similar expressions identify forward-looking statements and forward-looking information. Forward-looking statements and forward-looking information should not be read as guarantees of future events, performance or results, and will not necessarily be accurate indications of whether, or the times at which, such events, performance or results will be achieved. All of the statements in this press release containing forward-looking statements or forward-looking information, if any, are qualified by these cautionary statements.

Forward-looking statements and forward-looking information are based on information available at the time they are made, underlying estimates, opinions and assumptions made by management and management's current good faith belief with respect to future strategies, prospects, events, performance and results and are subject to inherent risks and uncertainties surrounding future expectations generally. Such risks and uncertainties include, but are not limited to, risks relating to any liquidation, sale or restructuring of the Corporation or its business or assets or the results thereof, the Corporation's inability to achieve its objectives in the SSP, the receipt of Court approval of the SSP and any successful bid under the SISP, the Corporation's relationship with potential bidders seeking to acquire its business or assets as part of the SSP, the impact of the proceedings on the Corporation's creditors and other stakeholders, risks related to the timing and completion of the transactions and proceedings described herein (if at all), the realization amount resulting from any transaction, an inability to continue meeting TSX listing requirements and/or other adverse impacts on the trading or liquidity of the Corporation's securities on the TSX, uncertainties relating to the availability or costs of financing if required in the future, a decline in general economic conditions, consumer confidence, oil and gas industry risks, the Corporation's inability to successfully implement its strategies and plans, the Corporation being unable to generate the necessary cash flows and earnings to satisfy its obligations and pursue its objectives, changes in consumer shopping patterns or preferences, reliance of a few key members of management, increased write-downs or impairment changes on the Corporation's assets, changes or disruptions in the credit or securities markets, or any other material disruption to or decline in the Corporation's operations. For additional information with respect to these and other risks and uncertainties relating to Dundee, reference should be made to Dundee's most recent annual information form, quarterly and annual reports and financial statements and notes thereto, and supplementary information, which are available on SEDAR at www.sedar.com and in the Investor Relations section of the Corporation's website at www.dundee-energy.com. Additional risks and uncertainties not presently known to the Corporation or that Dundee currently believes to be less significant may also adversely affect the Corporation.

Dundee cautions readers that such factors and uncertainties are not exhaustive and that should certain risks or uncertainties materialize, or should underlying estimates or assumptions prove incorrect, actual strategies, prospects, events, performance and results may vary significantly from those expected. There can be no assurance that the actual strategies, prospects, results, performance, events or activities anticipated by the Corporation will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Corporation. Readers are urged to consider these factors carefully in evaluating forward-looking information and forward-looking statements and are cautioned not to place undue reliance on any forward-looking information or forward-looking statements. Dundee disclaims any intention or obligation to update or revise any forward-looking information or forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

Anyone interested in obtaining more information about the SSP should contact Dundee's Proposal Trustee, FTI Consulting Canada Inc., as follows: Richard Kim, FTI Consulting Canada Inc. Tel: (416) 649-8079, Email: Richard.Kim@fticonsulting.com; Jordan Zakkai, FTI Consulting Canada Inc., Tel: (416) 649-8116, Email: Jordan.Zakkai@fticonsulting.com