

Dundee Sustainable Technologies Inc.

NEWS RELEASE

Dundee Sustainable Technologies Announces First Quarter 2014 Results

MONTREAL, QUEBEC, August 28, 2014 – Dundee Sustainable Technologies Inc. (“DSTI” or the “Corporation”) (CSE: DST), the developer and owner of proprietary technologies to serve the natural resource sector with environmentally friendly procedures, today announced its financial results for the six months ended June 30, 2014.

The Corporation’s unaudited condensed interim financial statements, along with management's discussion and analysis have been filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") and may be viewed under the Corporation's profile at www.sedar.com or the Corporation's website at www.dundeetechnologies.com.

Highlights

January 1st, 2014 to date:

- The Corporation’s objective is to finalize the development of the chlorination technology to extract precious metals such as gold, at a pre-commercial stage through the construction of a demonstration plant of 15 tonnes per day that will operate on a continuous mode under industrial conditions;
- As part of the Contribution Agreement, the Corporation received in March 2014, \$2.2 million from the Sustainable Development Technology Canada Foundation (“SDTC”) corresponding to the eligible activities to be incurred from January 1, 2014 to September 30, 2014. The SDTC agreed to financially assist the Corporation in developing and demonstrating its chlorination technology by contributing up to \$5million;
- Research and development expenses during the six months ended June 30, 2014 include \$4.4 million of costs for the demonstration plant and \$0.4 million expenses relating to research activities conducted in the pilot plant. At June 30, 2014, the Corporation has expended \$7.5 million towards completion of the demonstration plant;
- In January 2014, Dundee Corporation agreed to loan \$3 million to the Corporation. An additional loan of \$2 million was made subsequent to June 30, 2014;
- On April 1, 2014, the Corporation completed a three cornered amalgamation with Creso Exploration Inc. (“Creso”), a mineral resource company with its principal mining exploration holdings located at the Shining Tree mining camp in northern Ontario, following which the Corporation indirectly acquired all of the issued and outstanding common shares of Creso that it did not already own;
- On April 8, 2014, the subordinate voting shares of the Corporation began trading on the Canadian Securities Exchange.

Construction update

The construction and operation of the demonstration plant, which commenced in June 2013, is budgeted at \$27 million. The design has been completed and the commissioning of the demonstration facilities is scheduled for completion by the end of 2014. To date the following milestones have been achieved:

- Completion of the structural engineering and building reinforcement;
- Installation of most of the major pieces of equipment such as scrubbers, filter, bag house, reactors, fluid bed, bucket elevator, holding tanks, feeding bins, etc.;
- Completion of the installation of the effluent treatment plant;
- Completion of the installation of some of the plant services such as compressed air, chiller, process water holding tank;
- Installation of the electrical room and the control room;
- Installation of the instrumentation control panels;
- Development of the start-up sequence and required labor.

Dundee Sustainable Technologies Inc.

NEWS RELEASE

The Corporation filed consortium agreements with third parties regarding the global financing of demonstration plant and the procurement of mineral concentrates. Consortium agreements were signed with Creso, Dundee Precious Metals and a privately held gold mining company for the procurement of mineral concentrates.

Summary of financial results

Reflective of its current stage of development, the Corporation does not report any revenue.

During the six months ended June 30, 2014, it incurred a net loss of \$4.6 million (six months ended June 30, 2013 – \$1.8 million), including research and development expenses of \$4.4 million relating to the cost of the demonstration plant (six months ended June 30, 2013 – \$1.1 million relating to research activities conducted in the pilot plant).

During the three months ended June 30, 2014, the Corporation incurred losses of \$3.4 million (three months ended June 30, 2013 – \$0.8 million), including research and development expenses of \$2.1 million relating to the cost of the demonstration plant (three months ended June 30, 2013 – \$0.6 million relating to research activities conducted in the pilot plant).

Patents

To date DSTI has obtained 25 patents in 19 countries for its technologies relating to the extraction of precious metals and base metals as well as the neutralization of arsenic and production of fertilizer. DSTI has 14 pending patent applications worldwide for its technologies, which include the ability to process gold concentrates without the use of cyanide.

About Dundee Sustainable Technologies, a company controlled by Dundee Corporation

The cyanide and mercury free gold extraction process developed by DSTI, has been recognized as a “green technology” for which DSTI has been awarded \$5,700,000 in grants to date for a demonstration plant, presently under construction in Thetford Mines Quebec of which \$700,000 has been provided by the Government of Quebec and \$5,000,000 by the Government of Canada through the Sustainable Development Technology Fund. The plant is scheduled to go into operation in mid-January 2015.

Over the last ten years DSTI has tested over 50 different gold deposits, both oxide and sulfide ores at the lab level and at its pilot plant. These tests have, consistently achieved gold recoveries in excess of 90%, using chlorination instead of cyanide. In addition, the tailings from the process are inert from toxic substances and as result meet environmental norms. An engineering study completed in 2013 supports DSTI’s claim of having operated a pilot plant showing a gold extraction yield higher than 90% using a closed-circuit chlorination process.

Pierre Gauthier
President and CEO
Tel: (514) 866-6001 # 244
Fax: (514) 866-6193
info@dundeetechnologies.com
www.dundeetechnologies.com

FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements that address future events and conditions, which are subject to various risks and uncertainties. Actual results could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Corporation's control. These factors include: results of exploration activities, general market and industry conditions, and other risks disclosed in the Corporation's filings with Canadian Securities Regulators.

Forward-looking statements are based on the expectations and opinions of the Corporation's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Corporation expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law. Depending on exploration results and available financing, the Corporation may at any point modify its work program.

The Canadian Securities Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.