



DundeeWealth Sells Banking Unit, Completes Private Placement

Proceeds Total \$608 Million

FOR IMMEDIATE RELEASE

Toronto, September 18, 2007: DundeeWealth Inc. (TSX: DW) announced today that it has entered into an agreement to sell its banking unit to The Bank of Nova Scotia (“Scotiabank”). At the same time, Scotiabank will purchase an equity interest in DundeeWealth Inc. (“DundeeWealth or the “Company”). Aggregate proceeds of the combined transaction to DundeeWealth total \$608 million.

Scotiabank will purchase Dundee Bank of Canada (“Dundee Bank”) for \$260 million in cash. Additionally it will acquire 27.3 million shares of DundeeWealth priced at \$12.76 per share. This investment will give Scotiabank an approximate 18% equity ownership interest in DundeeWealth Inc.

This transaction is subject to receipt of all necessary regulatory approvals, including that of the Toronto Stock Exchange. Subject to obtaining such regulatory approvals and satisfaction of customary closing conditions, it is anticipated that the transaction will be completed on or about September 28, 2007.

Under the terms of the transaction, DundeeWealth and Scotiabank have also agreed to enter into a joint venture in the form of a three year “white label” service agreement that will respect the investment products and services created by DundeeWealth for its banking unit, notably Dundee Investment Savings Accounts. Distribution of Dundee Bank’s products will continue to be made available through the FundSERV model used by Dynamic Mutual Funds.

The transaction will immediately expand DundeeWealth’s access to product manufacturing capability. At the same time it will provide valuable new banking expertise, providing financial advisors seamless backend services and their clients a broader suite of products.

“Selling Dundee Bank is a decision that allows us to reinforce DundeeWealth’s focus on our strength as one of Canada’s leading money managers,” said DundeeWealth President and Chief Executive Officer, David Goodman. “We built this Company using the money management model which provides for reasonable fees and low invested capital. We believe this transaction will allow Dundee Bank of Canada to realize its full potential without the need for substantial new investment capital and significant management time.

In this arrangement Scotiabank will deliver the expertise on the manufacturing side of the business, while respecting our constant goal of supporting independent advisors.”

Dundee Corporation will recognize Scotiabank’s significant new shareholding in DundeeWealth, agreeing to support, by share vote, the nomination of up to three Scotiabank appointees to the Board of Directors of the Company. Dundee Corporation, with more than 50% of the voting shares, remains the controlling shareholder of DundeeWealth Inc. and has entered into a shareholders agreement with Scotiabank. Scotiabank has agreed to a 20% “standstill” agreement with Dundee Corporation.

Proceeds of the transaction will be applied by DundeeWealth to reduce its debt, including its debt to Dundee Corporation, and for other corporate purposes. DundeeWealth will realize an approximate \$70 million after tax loss on the sale of Dundee Bank as a result of certain investments that are currently being valued below initial cost.

GMP Securities acted as exclusive financial advisor to DundeeWealth on this transaction.

DundeeWealth is a Canadian owned, diversified wealth management company. Through its various subsidiaries DundeeWealth creates innovative asset management, alternative investments and provides investment solutions. In addition, DundeeWealth provides capital markets and advisory services to financial advisors, institutions, corporations and foundations, and provides retail banking services through financial advisors. DundeeWealth oversees \$62.6 billion in assets under management and administration through independent financial advisors across Canada. It is listed on the Toronto Stock Exchange (TSX: DW).

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