

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Pinetree Capital Ltd.		2 Issuer's employer identification number (EIN)	
3 Name of contact for additional information Susan Fox	4 Telephone No. of contact 416 941 9600	5 Email address of contact sfox@pinetreecapital.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 34 King St East, Suite 1100		7 City, town, or post office, state, and Zip code of contact Toronto, Ontario, M5C 2X8	
8 Date of action July 20, 2016		9 Classification and description Common Stock	
10 CUSIP number 723330866	11 Serial number(s)	12 Ticker symbol PNP	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On July 20, 2016 a one-for-one hundred reverse stock split occurred. Each one hundred shares of issued and outstanding common shares were converted into one newly issued and outstanding share of common stock. No fractional shares were issued in connection with the reverse stock split. Any fractional share of common stock that would otherwise have resulted from the reverse stock split was rounded up to the next whole share of common stock, if the fractional interest was equal to or greater than one-half of a share of common stock, and rounded down to the next whole share of common stock if the fractional interest was less than one-half of a share of common stock.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ A shareholder will multiply the basis in each share held before the reverse stock split by 100 to determine the basis of a newly issued share after the reverse stock split.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See item 15 above. Because no fractional shares were issued, the aggregate tax basis of common stock held immediately after the reverse stock split could be less than the pre-split aggregate tax basis by an amount equal to the aggregate tax basis allocated to a fractional share, if any.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

18 Can any resulting loss be recognized? ▶ The Company's shareholders generally will not recognize gain or loss for US federal tax purposes. Shareholders should consult their tax advisors with respect to the potential tax consequences to them of the reverse stock split.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is the calendar year ending December 31, 2016.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ _____

Print your name ▶ Susan E. Fox Title ▶ EVP, CFO & Corporate Secretary

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			