PINETREE CAPITAL LTD.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

August 22, 2016

PINETREE CAPITAL LTD.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting of shareholders (the "Meeting") of Pinetree Capital Ltd. (the "Corporation") will be held at the offices of Torys LLP at 79 Wellington Street West, 33rd Floor, Toronto, Ontario, M5K 1N2, on Friday, September 30, 2016, at 10:00 a.m. (Toronto time), for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended December 31, 2015 and the report of the auditors thereon (see "Financial Statements" in the Management Information Circular, the "Circular");

2. to elect directors (see "Election of Directors" in the Circular);

3. to appoint MNP LLP as auditors of the Corporation, and to authorize the directors to fix their remuneration (see "Appointment of Auditors" in the Circular); and

4. to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

Only shareholders of record at the close of business on August 19, 2016 (the "Record Date") will be entitled to vote at the Meeting. Each shareholder is entitled to one vote for each common share of the Corporation ("Common Share") held on the Record Date.

Notice and Access

The Corporation is using the "notice and access" procedure adopted by the Canadian Securities Administrators for the delivery of the Circular and related meeting materials (the "Meeting Materials"). Under the notice and access procedure, you are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting. However, instead of receiving paper copies of the Meeting Materials, you are receiving a notice of meeting which contains information about how to access the Meeting Materials electronically. The principal benefit of the notice and access procedure is that it reduces costs and the environmental impact of producing and distributing paper copies of documents in large quantities. Shareholders who have consented to electronic delivery of materials may receive a notice of meeting in an electronic format.

The Circular and form of proxy (or voting instruction form) for the Common Shares provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Circular before voting.**

Websites Where Meeting Materials are Posted

The Meeting Materials can be viewed online on the Corporation's website, www.pinetreecapital.com, on TSX Trust Company's website, http://noticeinsite.tsxtrust.com/pinetreecapitalAGM2016, and under the Corporation's System for Electronic Document Analysis and Retrieval ("SEDAR") profile at www.sedar.com.

Non-Registered and Registered Shareholders

If you would like a paper copy of the Meeting Materials, you should first determine whether you are a non-registered shareholder or a registered shareholder.

- You are a non-registered shareholder (also known as a beneficial shareholder) if you own Common Shares indirectly and your Common Shares are registered in the name of a bank, trust company, broker or other intermediary. For example, you are a non-registered shareholder if your Common Shares are held in a brokerage account of any type.

- You are a registered shareholder if you hold a paper share certificate or a direct registration system (DRS) statement and your name appears directly on the share certificate(s) or DRS statement.

How to Obtain Paper Copies of the Meeting Materials

All shareholders may request paper copies of the Meeting Materials be mailed to them at no cost for up to one year from the date that the Circular was filed on SEDAR.

A request may be made by calling TSX Trust Company at 1-866-393-4891.

Requests must be received by 10:00 a.m. (Toronto time) on September 21, 2016 (i.e., at least seven business days in advance of the date and time specified in your form of proxy or voting instruction form as the voting deadline) if you would like to receive the Meeting Materials in advance of the voting deadline and date of the Meeting.

Voting

Non-registered shareholders should exercise their right to vote by completing a voting instruction form in accordance with the directions on the form. Voting instruction forms will be provided by your intermediary.

Non-registered shareholders must submit their voting instructions at least one business day in advance of the proxy deposit date noted on your voting instruction form. If a non-registered shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the shareholder’s behalf), the shareholder must complete the voting instruction form in accordance with the directions provided.

Registered shareholders should exercise their right to vote by completing the form of proxy in accordance with the directions in the form. TSX Trust Company must receive completed proxies no later than 10:00 a.m. (Toronto time) on September 28, 2016 or, if the Meeting is adjourned or postponed, on the day that is two business days before the date of the adjourned or postponed meeting.

DATED the 22nd day of August, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Peter Tolnai*”

Peter Tolnai
Chairman and Chief Executive Officer

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SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF PINETREE CAPITAL LTD. (WHICH IS REFERRED TO IN THIS CIRCULAR AS THE "CORPORATION", "PINETREE", "WE", "US" AND WORDS OF SIMILAR MEANING) OF PROXIES TO BE USED AT THE ANNUAL MEETING OF SHAREHOLDERS OF THE CORPORATION (THE "MEETING") TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE NOTICE OF MEETING. While it is expected that the solicitation will be primarily by mail, proxies may also be solicited personally by our regular employees at nominal cost. The cost of solicitation by management will be borne directly by us. None of our directors have advised management in writing that they intend to oppose any action intended to be taken by management at the Meeting.

NOTICE-AND-ACCESS

This Circular and associated materials for the Meeting (collectively, the "Meeting Materials") are being sent to both registered and non-registered holders of our common shares using Notice-and-Access, the delivery procedures that allow us to send shareholders paper copies of a notice of meeting and form of proxy or voting information form, as applicable, while providing shareholders access to electronic copies of the Meeting Materials or to paper copies of the Meeting Materials if they so request within the prescribed time periods. For more information, please refer to the notice of meeting delivered to you.

VOTING BY REGISTERED SHAREHOLDERS

Shareholders who hold common shares registered directly in their name may vote by attending the Meeting in person, by mailing or faxing their completed proxy at the office of our registrar and transfer agent, TSX Trust Company, at Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1 or 416-595-9593, or on the internet in accordance with the instructions provided in the form of proxy, not later than 10:00 a.m. (Toronto time) on September 28, 2016 or, if the Meeting is adjourned or postponed, on the day that is two business days preceding the adjournment or the postponement.

The persons named in the form of proxy provided are Pinetree officers and/or directors. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT THE SHAREHOLDER AT THE MEETING MAY DO SO** either by inserting such person's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing such proxy in accordance with the above instructions.

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so either:

1. by delivering another properly executed form of proxy bearing a later date and depositing it as described above;

2. by depositing an instrument in writing revoking the proxy executed by the shareholder:

    (a) with TSX Trust Company at any time up to the close of business on the last business day preceding the Meeting, or any adjournment thereof, at which the proxy is to be used; or

    (b) with the Chairperson of the Meeting at the Meeting or any adjournment thereof, prior to the commencement of the Meeting or any adjournment thereof, as applicable; or

3. in any other manner permitted by applicable law.

Common shares represented by properly executed proxies **WILL BE VOTED OR WITHHELD FROM VOTING IN ACCORDANCE WITH THE INSTRUCTIONS OF THE SHAREHOLDER ON ANY BALLOT THAT MAY BE CALLED FOR AND IF THE SHAREHOLDER SPECIFIES A CHOICE WITH RESPECT TO ANY MATTERS TO BE ACTED UPON, THE SHARES WILL BE VOTED ACCORDINGLY.** Where there is no choice specified, shares represented by properly executed proxies in favour of persons designated in the printed portion of the form of proxy **WILL BE VOTED FOR EACH OF THE MATTERS TO BE VOTED ON BY SHAREHOLDERS AS DESCRIBED IN THIS CIRCULAR.** The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, or other matters which may properly come before the Meeting. At the time of printing this Circular, the management of Pinetree knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which at present are not known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxyholder.

If you are a non-registered holder of our common shares (i.e., you hold common shares through a broker or other intermediary that are not registered in your name), you should refer to the section below entitled "Voting by Non-Registered Holders" for information on how to vote your common shares at the Meeting.

VOTING BY NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most of our shareholders are "non-registered" shareholders because the common shares that they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they hold the shares. A person is not a registered shareholder in respect of our common shares which are held either: (a) in the name of an intermediary that the non-registered shareholder deals with in respect of the common shares (an intermediary includes, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans); or (b) in the name of a clearing agency (such as the Canadian Depository for Securities Limited), of which the intermediary is a participant.

A non-registered shareholder will receive a notice of meeting and a voting instruction form from the intermediary who holds their common shares. You must complete the form containing your voting instructions as specified in the form in order for your common shares to be voted at the Meeting.

Please follow the voting instructions that you receive from your intermediary. Your intermediary is responsible for properly executing your voting instructions.

If you receive a voting instruction form with the notice of meeting and you want to vote at the Meeting in person, you must insert your name in the blank space provided or the name of someone else who will attend the Meeting on your behalf, instead of filling in the voting instructions in the form, and complete the form in accordance with the instructions contained in it. When you arrive at the Meeting, you or the person that you have designated on your voting instruction form to attend on your behalf will then have to register with the scrutineers in advance of the Meeting.

Non-registered shareholders should contact their broker or intermediary if they have questions regarding voting procedures.

PRESENTATION OF SECURITY INFORMATION

As described under “Recent Developments”, on July 20, 2016, the Corporation completed its previously announced consolidation (the “Consolidation”) of its issued and outstanding common shares on the basis of one post-Consolidation common share for every 100 pre-Consolidation common shares. For the convenience of the reader, all references to the number of common shares, warrants, stock options and their exercise prices in this Circular, irrespective of the timing of their issuance, reflect the Consolidation. However, since no fractional common shares were issued as a result of the Consolidation, in certain instances the number of post-Consolidation common shares may not equal exactly 1% of the equivalent pre-Consolidation number of common shares. The Corporation views such discrepancies as immaterial.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Our authorized capital consists of an unlimited number of common shares, of which 4,522,599 common shares were issued and outstanding as at August 22, 2016. Only shareholders of record at the close of business on the August 19, 2016 (the “Record Date”) will be entitled to vote at the Meeting. Each shareholder is entitled to one vote for each common share held as at the close of business on the Record Date.

To the knowledge of our directors and executive officers, as of August 22, 2016, no person or company beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of our outstanding common shares, other than our Chief Executive Officer (“CEO”) Peter Tolnai, who beneficially owns, directly or indirectly, 1,412,202 common shares, representing approximately 31% of the issued and outstanding common shares of the Corporation.

RECENT DEVELOPMENTS

Rights Offering

On April 29, 2016, the Corporation closed its previously announced rights offering. Shareholders of record on March 23, 2016 received one right for each common share held, entitling the holder of such right to subscribe for one common share at a subscription price of $2.50. In connection with the rights offering, the Corporation entered into a standby purchase agreement with a company controlled by Peter Tolnai, pursuant to which he agreed to purchase all of the common shares that were not otherwise purchased by holders of the rights at the subscription price, subject to certain terms and conditions (the “Standby Commitment”). Completion of the Standby Commitment was also subject to several other conditions including the appointment of Peter Tolnai as the Corporation’s CEO and as a director and the resignation of the then existing directors of the Corporation if requested by Peter Tolnai, both on closing of the Standby Commitment. Under the rights offering, holders of rights purchased an aggregate of 849,103 common shares of the Corporation for gross proceeds to the Corporation of $2,122,757. Additionally, in accordance with the Standby Commitment, Peter Tolnai indirectly purchased 1,412,202 common shares for gross proceeds to the Corporation of $3,530,505. Upon closing of the rights offering, a total of 4,522,599 common shares were issued and outstanding, of which approximately 31% were beneficially owned by a company controlled by Peter Tolnai. The Corporation used the net proceeds of the rights offering and the Standby Commitment, as well as cash from the sale of portfolio investments, to repay all outstanding convertible debentures and accrued interest at maturity on May 31, 2016 and for general working capital requirements.

Board and Management Changes

Pursuant to the terms of the Standby Commitment, on April 29, 2016, upon completion of the rights offering and Standby Commitment, Peter Tolnai was appointed the CEO of the Corporation and Richard Patricio, Albert Contardi and Wendy Warhaft resigned as officers. In addition, on such date, all then existing directors of the Corporation resigned and were replaced by Ian Howat, Craig Miller, Howard Riback and Peter Tolnai. On May 13, 2016, Susan E. Fox was appointed Chief Financial Officer ("CFO") and the Corporation's former CFO, Carmelo Marrelli, resigned.

Share Consolidation

On July 20, 2016, the Corporation completed its previously announced Consolidation. The common shares began trading on a consolidated basis on the Toronto Stock Exchange ("TSX") on July 22, 2016 under the same trading symbol (PNP). The Consolidation previously received shareholder approval at the Corporation's special meeting of shareholders held on April 22, 2016. As a result of the Consolidation, on July 22, 2016, a total of 4,522,599 common shares were issued and outstanding. In addition, as a result of the Consolidation, the following adjustments were made to the Corporation's outstanding stock options and warrants, as well the rights outstanding under its shareholder rights plan: (i) the exercise price and the number of common shares issuable under the Corporation's outstanding stock options have been proportionally adjusted; (ii) in accordance with the terms of the Corporation's outstanding Series 2014-I Warrants to purchase common shares, the number of common shares issuable per warrant has been proportionally adjusted such that the exercise price has been increased to $70.00 per warrant and the acceleration price has been increased to $125.00 per warrant; and (iii) pursuant to the Corporation's shareholder rights plan, the number of rights outstanding were consolidated such that every 100 rights outstanding pre-Consolidation became one right post-Consolidation, the exercise price was increased to $10,000.00 per right and the redemption price was increased to $0.001 per right.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

Our consolidated financial statements for the fiscal year ended December 31, 2015, together with the auditor's report thereon, will be placed before the shareholders at the Meeting.

Election of Directors

Nominees For Election

At the Meeting, management of Pinetree proposes to nominate the persons listed in the table below for election as directors of the Corporation (the "Nominees"). Each director will hold office until the election of his successor at the next annual meeting of our shareholders, or any adjournment thereof, or until his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Ontario). **The persons named in the form of proxy or voting instruction form, as the case may be, intend to vote FOR the election of each of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director. If, however, a Nominee is so unavailable, the persons named in the form of proxy or voting instruction form, as the case may be, will vote FOR another nominee in management's discretion, unless the shareholder has specified in the shareholder's form of proxy or voting instruction form, as the case may be, that the shareholder's shares are to be withheld from voting in the election of the Nominee.**

Name, Province and Country of Residence	Principal Occupation(1) (2)	Director Since	Number of Common Shares Owned, Controlled or Directed(2)
Peter Tolnai, Chairman Ontario, Canada	Chairman and CEO of the Corporation.	2016	1,412,202 (3)

Name, Province and Country of Residence	Principal Occupation[1] [2]	Director Since	Number of Common Shares Owned, Controlled or Directed[2]
Craig Miller[4] [5] [6] Ontario, Canada	Vice President, Pineridge Group, a company providing corporate oversight and strategic guidance to consumer products companies, and President, Ithaka Partners Ltd., an advisory and management services company.	2016	0
Ian P. Howat[5] [7] Ontario, Canada	Corporate Director.	2016	0
Howard Riback [7] [8] British Columbia, Canada	Director of Private Equity, Sectoral Asset Management Inc. and Analyst, Pelecanus Investments Ltd., both of which are asset managers	2016	0

(1) Each Nominee has held his principal occupation for more than five years, with the exception of Howard Riback and Peter Tolnai. Mr. Riback was CFO of CEMI Services Ltd. from 2013 to 2015 and CFO of Ventures West Capital Ltd., a venture capital firm, from 1991 to 2013. Mr. Tolnai was President and CEO of Orchard Capital Group, Inc., a venture capital firm, from 1997 to 2016.

(2) The information has been provided by the Nominee.

(3) Peter Tolnai beneficially owns, directly or indirectly, 1,412,202 common shares, representing approximately 31% of the issued and outstanding common shares of the Corporation.

(4) Lead Independent Director.

(5) Member of the Audit Committee.

(6) Chair of the Corporate Governance, Nominating and Compensation Committee.

(7) Member of the Corporate Governance, Nominating and Compensation Committee.

(8) Chair of the Audit Committee.

Majority Voting Policy

The board of directors has adopted a majority voting policy which requires that any nominee for election as a director in an uncontested election, who receives a greater number of votes “withheld” from his or her election than votes “for” such election, promptly tender his or her resignation to the board, to be effective upon the board’s acceptance. The board will promptly, and in any event within 90 days of the final voting results, accept the tendered resignation unless it determines that there are extraordinary circumstances relating to the composition of the board or the voting results that should delay the acceptance of the resignation or justify rejecting it. Subject to any corporate law restrictions, the board may leave a resulting vacancy unfilled until the next annual meeting of shareholders, fill the resulting vacancy through the appointment of a new director, or call a special meeting of shareholders to consider another nominee for election to fill the vacancy.

Appointment of Auditor

The auditor of the Corporation is MNP LLP, located at 300-111 Richmond Street West, Toronto, Ontario, M5H 2G4. MNP LLP was initially appointed as auditor of the Corporation effective January 5, 2016. Ernst & Young LLP resigned as the auditor of the Corporation on January 4, 2016 and was auditor of the Corporation since 2001.

Following its evaluation of MNP LLP's performance, the Audit Committee recommended to the board that MNP LLP be reappointed as the auditor of the Corporation for 2016 and the board accepted such recommendation. Shareholders are being asked to approve the reappointment of MNP LLP as auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration of the auditor.

The board recommends that you vote for the re-appointment of MNP LLP as our auditor.

The management representatives designated in the form of proxy (or voting instruction form) will vote for or withhold from voting the common shares in respect of which they are appointed by proxy in respect of the reappointment of MNP LLP as auditor of the Corporation to hold office until the Corporation's next annual meeting of shareholders and the authorization of the directors to fix the remuneration to be paid to the auditor in accordance with the instructions of the shareholder as indicated on the proxy (or voting instruction form, as applicable). **In the absence of such instructions, such common shares will be voted FOR the reappointment of MNP LLP as auditor of the Corporation and the authorization of the directors to fix the remuneration to be paid to the auditor**.

EXECUTIVE COMPENSATION

As noted under "Recent Developments", following completion of the Rights Offering, all then existing directors and members of management of the Corporation resigned and were replaced by the current directors and management team. As a result, many aspects of the Corporation's compensation policies have changed substantially since such time. Accordingly, the following discussion of the compensation provided by the Corporation to its directors and executive officers has been divided into two sections: "Before April 29, 2016" and "Current Compensation Arrangements".

Before April 29, 2016

Compensation Discussion and Analysis

In 2015, Pinetree's executive compensation structure was designed to encourage and motivate executives to achieve high levels of performance, both individually and for the Corporation, particularly to ensure that the convertible debentures (the "Debentures") due May 31, 2016 were repaid in full when due. An executive's overall compensation package reflected the functions being performed, and his or her overall contribution to the organization, capacity to improve Pinetree's financial performance, enthusiasm and loyalty, and ability to create (or help create) value for the benefit of Pinetree's shareholders.

In 2015, executive compensation was comprised of three principal components: base salary, annual cash bonuses and stock options. Base salary and cash bonus components were used to motivate executives in the short-to-medium term, while stock option grants (which are typically subject to vesting periods) were designed to align their interests with those of our shareholders and assist in keeping us competitive in the market for high quality executives. Each component of an executive's compensation was determined with an overall view to the individual's total compensation package.

The process for determining executive compensation overall was relatively informal, in view of our size and operations, and there were no specific performance goals or benchmarks used in determining the compensation of executive officers. Executive officers were involved in the process, making recommendations to the board for its consideration and approval of the discretionary components (e.g., cash bonuses) of the annual compensation of senior management. The Corporation did not engage a compensation consultant in 2015 to advise on executive or director compensation matters.

Disclosed elsewhere in this section of the Circular are details concerning the compensation paid to the Corporation's "Named Executive Officers" for the three most recently completed financial years. The Named Executive Officers were determined in accordance with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102"). The Named Executive Officers for 2015 were: Richard Patricio, CEO as of February 2015; Sheldon Inwentash, CEO until February 2015; Carmelo Marrelli, CFO as of April 2015; and Gerry Feldman, CFO and Vice President, Corporate Development until April 2015.

Salary

Amounts paid to the executive officers as base salary in 2015 were determined by reference to the individual's performance, the Corporation's performance and salaries prevailing in the marketplace for comparable positions. Certain of the Named Executive Officers provided their services in similar capacities to other reporting issuers in addition to Pinetree and, accordingly, their base salaries were generally lower than what they would be for comparable full-time positions with our peers. The base salary of each executive officer was reviewed as required.

Mr. Patricio's base salary was increased in 2015 due to his expanded role with the Corporation as its CEO. Other than with respect to Mr. Patricio, there were no material changes to the base compensation of the Named Executive Officers in 2015.

Bonus

In 2015, Pinetree's cash bonus awards were designed to reward an executive for the direct contribution which he or she made to the Corporation. The Named Executive Officers received discretionary cash bonuses from time to time as determined by the CEO and approved by the board. Bonuses, if any, granted to the Named Executive Officers during 2015 are disclosed in the Summary Compensation Table that follows.

Option-Based Awards

Prior to April 29, 2016, options were granted pursuant to our 2007 Stock Option Plan (the "Option Plan"). In accordance with the resolution of shareholders of the Corporation dated May 13, 2013, all unallocated options under the Option Plan expired on June 13, 2016. Further, pursuant to the rules of the TSX, all unallocated options were cancelled and the Corporation is generally not permitted to make further grants until approval of the shareholders of the Corporation is obtained. The Corporation does not intend to obtain such approval at this time. See "Securities Authorized for Issuance Under Equity Compensation Plans."

The Option Plan is administered by our board, which has the authority to amend the plan and the terms of outstanding options, subject to applicable regulatory and shareholder approvals and provided that no amendment may materially impair the rights of existing optionholders in respect of options outstanding prior to the amendment. In accordance with option granting procedures adopted by the board, options were awarded on four pre-established, regular grant dates during 2015 (provided no trading black-outs were in effect on such dates).

Generally, the CEO proposed option grants for executive officers, directors, consultants and employees (collectively, "Optionees") prior to their submission to the board for its consideration and approval. When considering an award of options to an Optionee, consideration of the number of options previously granted to the Optionee was sometimes taken into account. No specific formula or criteria was used to determine the quantum of a particular grant (whether in terms of the number of options or fair value of options). An option grant was intended to recognize, on a reasonable basis, the Optionee's specific contribution to the Corporation in the context of his or her role.

Messrs. Patricio and Marrelli were entitled to discretionary option grants during 2015. Messrs. Inwentash and Feldman did not receive any option grants during 2015. See "Summary Compensation Table".

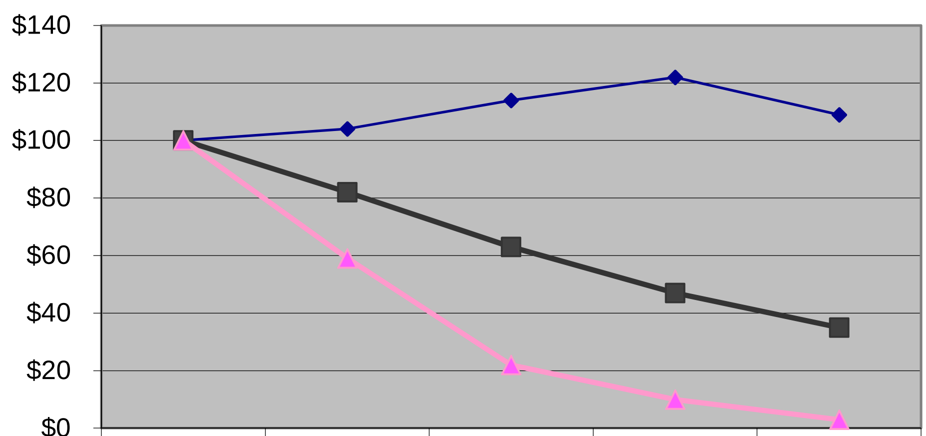
Compensation Risk

The board has periodically considered our compensation practices to determine whether they are likely to encourage executive officers to expose the Corporation to inappropriate or excessive risks. The design of the Corporation's executive compensation program is intended to discourage excessive or inappropriate risk taking.

The Corporation's mix of compensation components in 2015 represented a balanced approach, combining fixed and variable pay and short-to-long term incentives. Salary, bonuses and option grants for our executive officers were also reviewed and approved by the board, which acts as a control on the quantum of these compensation components in view of their discretionary nature.

Performance Graph

The following graph compares the cumulative total shareholder return on our common shares (assuming the reinvestment of cash dividends of which there have been none) with the cumulative total return of each of the S&P/TSX Composite Index and the S&P/TSX Venture Composite Index for our five most recently completed financial years. The graph and table illustrate what a $100 investment in our common shares made on December 31, 2010, compared to a $100 investment in each of the two indices made on the same date, would be worth on December 31st of each of the five subsequent years. Generally, broader movements in the trading price of our common shares track the trends in the TSX Venture Composite Index, which is more reflective of the composition of our investment portfolio.



	2011	2012	2013	2014	2015
S&P/TSX Composite Index	$100	$104	$114	$122	$109
S&P/TSX Venture Composite Index	$100	$82	$63	$47	$35
PNP	$100	$59	$22	$10	$3

The individuals who qualified as the Named Executive Officers were not the same in each of the years reflected in the graph. Accordingly, changes in executive compensation from year to year are at least partially attributable to changes in the composition of the Named Executive Officers, as a group, including changes in the number of individuals in the group.

Generally, no specific part of Pinetree's executive compensation structure was directly tied to our share price, in the sense that share performance was not typically determinative of the quantum of base salaries, annual bonuses or stock option grants.

Option-based awards represent the form of compensation most directly tied to our stock price because the value of options at any point in time (i.e., whether or not they are "in-the-money" and by how much) is directly correlated to the trading price of our shares and is thereby the compensation component most directly aligned with the interests of shareholders.

Summary Compensation Table

The following table indicates the total compensation paid by the Corporation, for its fiscal years ended December 31, 2015, 2014 and 2013, to our Named Executive Officers.

Name and principal position	Year	Salary/Fees ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)[2] Annual incentive plans	All other compensation[3] ($)	Total compen-sation ($)
Richard Patricio[4] CEO	2015 2014 2013	222,191 97,525 97,525	105,531 92,500 131,500	56,500 Nil Nil	Nil Nil Nil	384,222 190,025 229,025
Sheldon Inwentash[5] [6] Former CEO	2015 2014 2013	125,000 1,000,000 1,000,000	Nil 407,500 190,000	Nil Nil Nil	Nil 49,457 118,678	125,000 1,456,957 1,308,678
Carmelo Marrelli CFO[7] [8]	2015	81,776	21,211	Nil	Nil	102,987
Gerry Feldman[9] Former Vice President, Corporate Development, and CFO	2015 2014 2013	60,000 165,000 165,000	Nil 92,500 131,500	Nil Nil Nil	254,250 Nil Nil	314,250 257,500 296,500

(1) Option-based awards are stock options granted to the Named Executive Officers under the Option Plan. Depending upon when issued, options vest and become exercisable either: (a) four months from the date of grant, or (b) in six equal amounts every three months, over a period of eighteen months from the grant date. The options are granted at an exercise price per share equal to the closing price of our common shares on the TSX on the trading day immediately preceding the grant date, and expire five years from the grant date.

The dollar values of the options granted to the Named Executive Officers on their respective grant dates (calculated as set forth in the section following the table entitled "Fair Value of Option-Based Awards") are reported in the table. The values are calculated and provided for the purposes of the requirements of NI 51-102 and may not reflect the actual values that would be realized by the Named Executive Officers when they ultimately exercise the options, if at all, which realized values will depend upon the market price of Pinetree's common shares at the time of exercise. Additionally, the values reported do not reflect the intrinsic value of the options (the difference between the market price of the common shares and the exercise price) on the grant date or as at the applicable year-end. The 2015 options are exercisable at a price per share of $16.00, $8.00 or $5.00, as applicable, until expiry on March 31, 2020, May 29, 2020, and November 30, 2020, respectively. The 2014 options are exercisable at a price per share of $50.00, $42.00, $33.00 or $16.00, as applicable, until expiry on March 30, 2019, May 29, 2019, August 28, 2019 and November 27, 2019, respectively. The 2013 options are exercisable at a price per share of $62.00, $43.00 or $27.00, as applicable, until expiry on March 27, 2018, August 28, 2018 and November 28, 2018, respectively.

(2) Non-equity incentive plan compensation reflects annual discretionary (or in the case of Mr. Inwentash - contractual) cash bonuses paid to the Named Executive Officers in respect of the applicable year.

(3) Except as otherwise indicated, no Named Executive Officer received perquisites worth $50,000 or more or 10% or more of his total salary, in any of the specified years. The 2015 amount in respect of Mr. Feldman reflects his severance payment.

(4) Mr. Patricio's compensation was paid to a corporation controlled by him.

(5) Mr. Inwentash was also a director of the Corporation but did not receive any compensation from Pinetree for services rendered by him in that capacity.

(6) Other compensation reflects perquisites provided to Mr. Inwentash and paid for by Pinetree, including $18,000 for a car lease and $15,900 for a club membership.

(7) Mr. Marrelli commenced employment with the Corporation in April 2015.

(8) Mr. Marrelli's compensation was paid to a corporation wholly-owned by him.

(9) Mr. Feldman's compensation was paid to a corporation wholly-owned by him.

Fair Value of Option-Based Awards

The dollar value of the option-based awards indicated in the Summary Compensation Table above reflects the fair value of the options granted to the Named Executive Officers during the year, calculated as at the applicable grant date using the Black-Scholes valuation method.

Each option grant made to a Named Executive Officer is determined based upon the number of common shares underlying the grant, rather than by ascribing a particular value to the grant. The Black-Scholes valuation method used for the purposes of calculating the fair value of the grants is the same methodology used by us for accounting purposes.

The Black-Scholes value of each option granted to a Named Executive Officer in the applicable year and the assumptions and estimates used in calculating the value are provided in the table below:

	Option Fair Value, Assumptions and Estimates				
Grant Date	**Fair Value ($)**	**Share Price Volatility (%)**	**Expected Life (years)**	**Expected Dividend Yield (%)**	**Risk-Free Interest Rate (%)**
2015					
March 31	7.00	76.79	3.4	0	0.60
May 29	5.00	75.36	5	0	0.69
November 30	3.00	81.37	5	0	0.79
2014					
March 31	23.00	64.53	3.3	0	1.3
May 30	19.00	64.46	3.3	0	1.2
August 29	16.00	63.69	3.9	0	1.3
November 28	7.00	63.36	3.4	0	1.1
2013					
March 28	25.00	60.7	3.2	0	1.1
August 29	19.00	64.1	3.2	0	1.4
November 29	12.00	63.7	3.3	0	1.3

Executive Incentive Plan Awards – Outstanding Option-Based Awards

The following table provides details of stock options held by the Named Executive Officers as at December 31, 2015. The Named Executive Officers do not hold any share-based awards.

Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[1] ($)
Richard Patricio	1,200	317.00	Mar. 30, 2016	Nil
	2,500	161.00	Nov. 29, 2016	Nil
	2,500	89.00	Nov. 29, 2017	Nil
	2,500	62.00	Mar. 27, 2018	Nil
	3,500	43.00	Aug. 28, 2018	Nil
	2,500	50.00	Mar. 30, 2019	Nil
	5,000	16.00	Nov. 27, 2019	Nil
	6,000	16.00	Mar. 31, 2020	Nil
	3,000	8.00	May 29, 2020	Nil
	15,000	5.00	Nov. 30, 2020	Nil
Carmelo Marrelli	2,500	8.00	May 29, 2020	Nil
	2,500	5.00	Nov. 30, 2020	Nil
Sheldon Inwentash	2,500	317.00	Mar. 30, 2016	Nil
	2,500	293.00	May 30, 2016	Nil
	2,500	192.00	Aug. 30, 2016	Nil
	2,500	161.00	Nov. 29, 2016	Nil
	1,000	138.00	Mar. 30, 2017	Nil
	2,500	88.00	May 31, 2017	Nil
	4,000	90.00	Aug. 30, 2017	Nil
	2,500	89.00	Nov. 29, 2017	Nil
	2,500	62.00	Mar. 27, 2018	Nil
	5,000	43.00	Aug. 28, 2018	Nil
	2,500	27.00	Nov. 28, 2018	Nil
	5,000	50.00	Mar. 30, 2019	Nil
	5,000	42.00	May 29, 2019	Nil
	2,500	33.00	Aug. 28, 2019	Nil
	22,500	16.00	Nov. 27, 2019	Nil
Gerry Feldman	N/A	N/A	N/A	N/A

(1) The value of an in-the-money option is equal to the difference between the closing price of our common shares on the TSX on December 31, 2015 ($4.00) and the exercise price of the option. A nil value indicates that none of the associated options were in-the-money on December 31, 2015.

Executive Incentive Plan Awards – Value Vested or Earned During the Year

The following table indicates the value of the incentive plan awards held by the Named Executive Officers which vested during the year ended December 31, 2015.

Name	Option-based awards – Value vested during the year(1) ($)	Share-based awards – Value vested during the year(2) ($)	Non-equity incentive plan compensation – Value earned during the year(3) ($)
Richard Patricio	Nil	N/A	56,500
Carmelo Marrelli	Nil	N/A	Nil
Sheldon Inwentash	Nil	N/A	Nil
Gerry Feldman	Nil	N/A	Nil

(1) Amounts indicated in the column reflect the aggregate dollar value that would have been realized by the Named Executive Officer if the options under his option-based awards which vested during 2015 were exercised by him on the vesting date. Aggregate dollar value is calculated by subtracting the exercise price of the option from the closing price of our common shares on the TSX on the vesting date. Options which are out-of-the-money on the vesting date (i.e., the exercise price is greater than the closing price of the underlying common shares) will have a nil value.

(2) Pinetree does not make any share-based awards and none were held by the Named Executive Officers during 2015.

(3) Non-equity incentive plan compensation reflects cash bonuses paid to the Named Executive Officers in respect of the 2015 financial year.

Termination and Change in Control Benefits

Mr. Inwentash did not receive any severance payments when he retired from the Corporation in February 2015. Mr. Feldman received a severance payment of $254,250 when he left the Corporation in April 2015. Mr. Patricio received a lump sum severance payment of $665,000 when he left the Corporation in April 2016 pursuant to the terms of his contracted service agreement with the Corporation. Mr. Marrelli did not receive a severance payment when he left the Corporation in April 2016. The severance payments to Messrs. Feldman and Patricio are subject to prohibitions on the disclosure of confidential information concerning the Corporation.

Director Compensation

During the year ended December 31, 2015, non-management director compensation was comprised of a board retainer, meeting fees (payable in cash) and stock option grants made pursuant to the option plan. Commencing in February 2015, each non-management director was entitled to receive an annual retainer of $30,000 (increased from previous annual retainer of $15,000), other than the Chairman of the Audit Committee who received an annual retainer of $35,000 (increased from $20,000) and a fee of $1,000 per board or committee meeting attended in person or by telephone. Details of the aggregate fees paid and options granted to each director during 2015 are provided in the table below:

Name	Fees earned[1] ($)	Option-based awards[2] [3] ($)	Total ($)
Marshall Auerback [4]	5,625	Nil	5,625
Andrew Fleming	40,250	20,251	60,501
Gerry Goldberg	45,292	20,251	65,543
Dennis Logan [5]	10,315	7,129	17,444
Bruno Maruzzo	40,500	13,346	53,846
Jonathan Pollack [6]	8,043	10,357	18,400
Ronald Perry	39,500	13,346	52,846
Rajiv Rai [4]	2,625	Nil	2,625
Andrew Steuter [7]	35,750	10,357	46,107
John Varghese [7]	35,750	10,357	46,107

(1) Fees earned for each director are comprised of an annual retainer and meeting attendance fees, as more fully described above.

(2) Option-based awards are stock options granted to the directors under the Option Plan. Depending upon when issued, options vest and become exercisable either: (a) four months from the date of grant, or (b) in six equal amounts every three months over a period of eighteen months from the grant date. The options are granted at an exercise price per share equal to the closing price of our common shares on the TSX on the trading day immediately preceding the grant date, and expire five years from the grant date.

(3) The dollar value of the option-based awards indicated in the table reflects the fair value of the options granted to the directors during the year, calculated as at the applicable grant date using the Black-Scholes valuation method. The values are calculated and provided for the purposes of the requirements of NI 51-102 and may not reflect the actual values that would be realized by the directors when they ultimately exercise the options, if at all, which realized values will depend upon the market price of Pinetree's common shares at the time of exercise. Additionally, the values reported do not reflect the intrinsic value of the options (the difference between the market price of the common shares and the exercise price) on the grant date or as at December 31, 2015.

The Black-Scholes value of each option and the assumptions and estimates used in calculating the value are provided in the table below:

	Option Fair Value, Assumptions and Estimates				
Grant Date	Fair Value ($)	Share Price Volatility (%)	Expected Life (years)	Expected Dividend Yield (%)	Risk-Free Interest Rate (%)
2015					
March 31	7.00	76.79%	3.4	0%	0.60%
May 29	5.00	75.36%	5	0%	0.69%
August 31	5.00	79.91%	5	0%	0.58%
November 30	3.00	81.37%	5	0%	0.79%

(4) Messrs. Auerback and Rai served as directors until February 13, 2015.

(5) Mr. Logan served as a director from July 7, 2015 to November 9, 2015.

(6) Mr. Pollack served as a director from February 13, 2015 to July 7, 2015.

(7) Messrs. Steuter and Varghese served as directors from February 13, 2015 to November 9, 2015.

Director Incentive Plan Awards - Outstanding Option-Based Awards

The following table provides details of stock options held by the Corporation's non-management directors as at December 31, 2015. The non-management directors do not hold any share-based awards.

Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options[(1)] ($)**
Marshall Auerback	Nil	N/A	N/A	N/A
Andrew Fleming	500	317.00	Mar. 30, 2016	Nil
	500	161.00	Nov 29, 2016	Nil
	500	89.00	Nov. 29, 2017	Nil
	500	62.00	Mar. 27, 2018	Nil
	500	43.00	Aug. 28, 2018	Nil
	500	50.00	Mar. 30, 2019	Nil
	500	16.00	Nov. 27, 2019	Nil
	2,000	16.00	Mar. 31, 2020	Nil
	2,000	5.00	Nov. 30, 2020	Nil
Gerry Goldberg	500	317.00	Mar. 30, 2016	Nil
	500	161.00	Nov 29, 2016	Nil
	500	89.00	Nov. 29, 2017	Nil
	500	62.00	Mar. 27, 2018	Nil
	500	43.00	Aug. 28, 2018	Nil
	500	50.00	Mar. 30, 2019	Nil
	500	16.00	Nov. 27, 2019	Nil
	2,000	16.00	Mar. 31, 2020	Nil
	2,000	5.00	Nov. 30, 2020	Nil
Dennis Logan	1,500	8.00	Aug. 31, 2020	Nil
Bruno Maruzzo	500	317.00	Mar. 30, 2016	Nil
	500	161.00	Nov 29, 2016	Nil
	500	89.00	Nov. 29, 2017	Nil
	500	62.00	Mar. 27, 2018	Nil
	500	43.00	Aug. 28, 2018	Nil
	500	50.00	Mar. 30, 2019	Nil
	500	16.00	Nov. 27, 2019	Nil
	1,000	16.00	Mar. 31, 2020	Nil
	2,000	5.00	Nov. 30, 2020	Nil
Jonathan Pollack	Nil	N/A	N/A	N/A

Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options(1) ($)
Ronald Perry	500 500 500 500 500 500 500 1,000 2,000	317.00 161.00 89.00 62.00 43.00 50.00 16.00 16.00 5.00	Mar. 30, 2016 Nov 29, 2016 Nov. 29, 2017 Mar. 27, 2018 Aug. 28, 2018 Mar. 30, 2019 Nov. 27, 2019 Mar. 31, 2020 Nov. 30, 2020	Nil Nil Nil Nil Nil Nil Nil Nil Nil
Rajiv Rai	Nil	N/A	N/A	N/A
Andrew Steuter	1,500	16.00	Mar. 31, 2020	Nil
John Varghese	1,500	16.00	Mar. 31, 2020	Nil

(1) The value of an in-the-money option is equal to the difference between the closing price of our common shares on the TSX on December 31, 2015 ($4.00) and the exercise price of the option. A nil value indicates that none of the options were in-the-money as at December 31, 2015.

Director Incentive Plan Awards – Value Vested or Earned During the Year

The following table indicates the value of the stock options held by our non-management directors which vested during the year ended December 31, 2015.

	Option-based awards – Value vested during the year(1) ($)	Share-based awards – Value vested during the year(2) ($)	Non-equity incentive plan compensation – Value earned during the year(3) ($)
Marshall Auerback	Nil	N/A	N/A
Andrew Fleming	Nil	N/A	N/A
Gerry Goldberg	Nil	N/A	N/A
Dennis Logan	Nil	N/A	N/A
Bruno Maruzzo	Nil	N/A	N/A
Jonathan Pollack	Nil	N/A	N/A
Ron Perry	Nil	N/A	N/A
Rajiv Rai	Nil	N/A	N/A
Andrew Steuter	Nil	N/A	N/A
John Varghese	Nil	N/A	N/A

(1) Amounts indicated in the column reflect the aggregate dollar value that would have been realized by the director if the options under his option-based awards which vested during 2015 were exercised by him on the vesting date. Aggregate dollar value is calculated by subtracting the exercise price of the option from the closing price of our common shares on the TSX on the vesting

date. Options which are out-of-the-money on the vesting date (i.e., the exercise price is greater than the closing price of the underlying common shares) will have a nil value.

(2) Pinetree does not make any share-based awards and none were held by the directors during the year end December 31, 2015.

(3) The Corporation does not pay any non-equity incentive plan compensation to its directors and no such compensation was earned by them during 2015.

Securities Authorized for Issuance Under Equity Compensation Plans

Set forth below is a summary of securities issued and issuable under all equity compensation plans of the Corporation as at December 31, 2015.

Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) – as at December 31, 2015**
Equity compensation plans approved by securityholders	189,550	$53.00	12,379 [(1)]
Equity compensation plans not approved by securityholders	--	--	--
Total	189,550	$53.00	12,379 [(1)]

(1) In accordance with the terms of the Option Plan, we were permitted to issue a maximum number of common shares under the plan equal to 10% of the number of our common shares outstanding from time to time. As at December 31, 2015, 2,019,292 common shares were issued and outstanding, resulting in a maximum of 201,929 common shares available for issuance under the Option Plan at such time.

Option Plan

The Corporation formerly granted options pursuant to the Option Plan to Optionees who were eligible to participate in the plan.

In accordance with the rules of the TSX, all unallocated entitlements to common shares under the Option Plan are subject to renewal approval by shareholders every three years. Such renewal approval was last obtained at our annual and special shareholder meeting held on June 13, 2013. On June 13, 2016, all unallocated options under the Option Plan were cancelled and the Corporation is generally not permitted to make further grants until approval of the shareholders of the Corporation is obtained. The Corporation does not intend to seek renewal of the Option Plan in 2016. Any options that are outstanding shall remain exercisable subject to meeting any applicable vesting requirements.

No amendments were made to the Option Plan during the year ended December 31, 2015.

The number of common shares issuable pursuant to options granted under the Option Plan may not exceed 10% of the number of common shares outstanding from time to time. Notwithstanding such 10% limit, that number of common shares, if any, underlying options that have been cancelled or that have expired unexercised (whether in full or in part) will once again be issuable under the Option Plan. Furthermore, the Option Plan has a “reload” provision whereby the number of common shares that have been issued pursuant to the exercise of options granted under the Option Plan will once again be available for issuance under the plan. No "reloaded" options will be granted by the Corporation under this plan going forward.

As at August 22, 2016, 65,542 common shares had been issued under the Option Plan and 178,750 common shares were issuable pursuant to outstanding options granted under the Option Plan, representing approximately 1.4% and 4%, respectively, of the 4,522,599 common shares outstanding as at that date.

The number of common shares that may be issuable, at any time, to insiders of the Corporation under the Option Plan, together with any of our other share-based compensation arrangements, may not exceed 10% of the number of common shares outstanding on the date of grant. The number of common shares that may be issued, within any one-year period, to insiders of the Corporation under the plan, together with any of our other share-based compensation arrangements, may not exceed 10% of the number common shares issued and outstanding.

The exercise price of an option granted under the Option Plan was determined by our board of directors but may not be less than the closing price of the Corporation's common shares on the TSX on the trading day immediately prior to the date of the option grant or, if the common shares do not trade on such date, then the exercise price may not be less than the average of the daily high and low board lot trading prices of the common shares on the TSX for the five trading days immediately preceding the date the option is granted.

The board of directors has the discretion to determine the term and vesting provisions (if any) of options granted under the Option Plan, provided that the term of an option may not exceed ten (10) years. Depending upon when issued, options vest and become exercisable either: (a) four months from the date of grant, or (b) in six equal amounts every three months, over a period of eighteen months from the grant date. If an Optionee's employment or service with the Corporation is terminated for any reason (other than as a result of the Optionee's death or for cause), all options which have vested as at the date of resignation or notice of termination of employment or service, as the case may be, may be exercised until the earlier of the expiry date of the options and the date that is ninety (90) days from the date of resignation or notice of termination of employment or service, as the case may be. In the event of an Optionee's death, all options which have vested as at the date of death may be exercised until the earlier of the expiry date of the options and the date that is twelve (12) months from the date of death. The board has the discretion to determine an alternative expiry date in the event of the termination of an Optionee's employment or service or the Optionee's death. All unvested options held by an Optionee on the date of resignation, notice of termination or death (unless the Optionee is terminated for cause), as the case may be, will continue to vest until expiry.

The board of directors may amend the terms of the Option Plan, subject to the receipt of any applicable regulatory approval and without the approval of shareholders, except any amendment to (i) change the maximum number of common shares that may be issued under the plan, whether as a fixed number of common shares or as a percentage of the number of common shares outstanding from time to time (other than to reflect an adjustment otherwise permitted under the stock Option Plan), (ii) reduce the exercise price or extend the expiry period of any option, (iii) increase the limits on the number of common shares issuable to participants under plan who are insiders of the company, or (iv) expand the class of participants eligible to participate in the plan, any of which amendments shall be subject to the approval of shareholders.

Amendments that can be made to the Option Plan by the board which will not require the approval of shareholders include changing the vesting provisions of any option and changing the effect of the termination of an Optionee's employment with or service to the Corporation on the Optionee's outstanding options.

Options granted under the Option Plan may not be assigned or transferred, other than to certain permitted assigns, including a registered retirement savings plan or registered retirement income fund of the Optionee.

Current Compensation Arrangements

Executive Compensation

As noted under “Recent Developments”, following completion of the Rights Offering, all then-existing officers of the Corporation resigned and received severance payments according to their contracts or common law. The Corporation’s current philosophy on executive compensation practices is to align the interests of our shareholders and management through share ownership, whereby management and directors will seek economic gains principally through share appreciation. Accordingly, to date, no compensation has been received by, or is payable to, Mr. Tolnai and Ms. Fox, as such individuals have agreed to provide services to the Corporation for the time being without any compensation. In addition, Mr. Tolnai and Ms. Fox are not currently eligible to receive any bonus or stock options. Neither Mr. Tolnai nor Ms. Fox are currently entitled to any contractual payments or benefits upon their termination of employment or a change of control of the Corporation.

Director Compensation

As of May 2016, non-management directors will receive a fee of $2,000 per board meeting attended in person. The Chair of the Audit Committee will receive an annual retainer of $5,000. The Chair of the Corporate Governance, Nominating and Compensation Committee will receive an annual retainer of $2,500. In addition, the Lead Independent Director will receive an annual retainer of $2,500. The Corporation does not intend to issue any additional options to directors under the Option Plan.

Restrictions on Trading Pinetree Securities

All of the Corporation’s directors and officers are subject to an Insider Trading Policy which prohibits them from actively trading in the Corporation’s securities and in the publicly-traded securities of the entities in which the Corporation has an investment. The Insider Trading Policy sets out guidelines for appropriate timing and procedures for market purchases and sales.

DIRECTORS AND OFFICERS INDEMNIFICATION

We maintain liability insurance for our directors and officers. For the year ended December 31, 2015, the policy provided coverage of up to $10 million, with a deductible of $125,000. The annual insurance premium was approximately $150,000 (plus applicable taxes), no portion of which was payable by the individual directors and officers.

INTEREST OF INFORMED PERSONS AND OTHERS IN MATERIAL TRANSACTIONS

No “informed person” (as defined in NI 51-102), proposed director of the Corporation or associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, other than Peter Tolnai. See “Recent Developments”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, none of the current or former executive officers or directors of the Corporation or any of its subsidiaries are indebted to the Corporation or any of its subsidiaries.

CORPORATE GOVERNANCE

The Canadian securities regulatory authorities have issued corporate governance guidelines (the "Corporate Governance Guidelines") for all reporting issuers in Canada (other than investment funds), together with certain related disclosure requirements. The Corporate Governance Guidelines are recommended as "best practices" for issuers to follow. We recognize that good corporate governance plays an important role in our overall success and in enhancing shareholder value and, accordingly, we have adopted certain corporate governance practices which are reflective of the recommended guidelines. A summary of certain aspects of our approach to corporate governance is provided below.

Board of Directors

Independence

NI 52-110 sets out the standard for determining whether a director is "independent" for the purposes of the Corporate Governance Guidelines and disclosure requirements of the Canadian securities regulatory authorities. In accordance with NI 52-110, a director is "independent" if he or she has no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the board of directors, be reasonably expected to interfere with the exercise of the director's independent judgment. NI 52-110 also sets out certain circumstances where a director will automatically be considered to have a material relationship with the Corporation.

On or Before April 29, 2016

Effective April 29, 2016, all the then-serving directors (Andrew Fleming, Gerry Goldberg, Bruno Maruzzo and Ronald Perry) resigned and were replaced by the current directors. See "Recent Developments".

From January 1, 2015 to April 29, 2016, 10 of the 11 directors who held office during such time were independent. During such time, the board held 4 *in camera* meetings without members of management or non-independent directors in attendance.

From January 1, 2015 to April 29, 2016, there were 23 meetings of the board of directors, 8 meetings of the Audit Committee and 2 meetings of the Compensation Committee. The attendance record of each then-existing director at these meetings (as applicable) is set out below:

Director	Board	Audit Committee	Compensation Committee(1)
Marshall Auerback(2)	3/3	-	-
Andrew Fleming(3)	20/23	-	-
Gerry Goldberg(4)	21/23	8/8	2/2
Sheldon Inwentash(5)	-	-	-
Dennis Logan(6) (7)	2/2	-	-
Bruno Maruzzo(8)	23/23	8/8	2/2
Ronald Perry (9)	21/23	8/8	2/2
Jonathan Pollack(6) (10)	6/6	-	-
Rajiv Rai(11)	1/3	-	-
Andrew Steuter(6) (12)	8/8	-	-

Director	Board	Audit Committee	Compensation Committee[(1)]
John Varghese[(6) (13)]	7/8	-	-

(1) The Compensation Committee and Corporate Governance and Nominating Committee were each dissolved by the board in February 2015. Prior to their dissolution, during the year ended December 31, 2015, the Compensation Committee met twice and the Corporate Governance and Nominating Committee did not formally meet. Such committees were reconstituted following the board and management changes described under “Recent Developments” as a single committee called the Corporate Governance, Nominating and Compensation Committee. See “Corporate Governance, Nominating and Compensation Committee”.

(2) Marshall Auerback resigned as a director effective February 13, 2015.

(3) Andrew Fleming resigned as a director effective April 29, 2016.

(4) Gerry Goldberg resigned as a director effective April 29, 2016.

(5) Sheldon Inwentash resigned as a director effective February 16, 2016.

(6) Dennis Logan, Jonathan Pollack, Andrew Steuter and Jon Varghese were elected directors (the “Debenture Directors”) pursuant to the forbearance agreement (the “Forbearance Agreement”) that the Corporation entered into for and on behalf of the holders of the then-outstanding Debentures. In February 2015, the board established the Investment Oversight Committee (the “IOC”) in connection with the Forbearance Agreement, of which the Debenture Directors were members. The IOC met by telephone informally during the period February 2015 – October 2015. As a result of the Corporation’s compliance with the Forbearance Agreement, the IOC was dissolved in October 2015 and the Debenture Directors resigned from the board.

(7) Dennis Logan was appointed a Debenture Director pursuant to the Forbearance Agreement and held office between July 7, 2015 and November 9, 2015.

(8) Bruno Maruzzo resigned as a director effective April 29, 2016.

(9) Ronald Perry resigned as a director effective April 29, 2016.

(10) Jonathan Pollack was appointed as a Debenture Director pursuant to the Forbearance Agreement and held office between February 13, 2015 and July 7, 2015.

(11) Rajiv Rai resigned as a director effective February 13, 2015.

(12) Andrew Steuter was appointed as a Debenture Director pursuant to the Forbearance Agreement and held office between February 13, 2015 and November 9, 2015.

(13) John Varghese was appointed as a Debenture Director pursuant to the Forbearance Agreement and held office between February 13, 2015 and November 9, 2015.

Current Directors

Independence

On April 29, 2016, Ian P. Howat, Craig Miller, Howard Riback and Peter Tolnai were appointed to replace the directors who resigned on such date. See “Recent Developments”. As such, the board is currently comprised of 4 directors, 3 of whom are independent. The Corporation’s independent directors are Craig Miller, Ian P. Howat and Howard Riback. The Chairman of the board, Peter Tolnai, is not independent as a result of being an executive officer of the Corporation. The board has appointed Craig Miller as Lead Independent Director. The independent directors hold regularly scheduled meetings without members of management or Peter Tolnai in attendance. Since April 29, 2016, the board held one *in camera* meeting without members of management in attendance. In addition, open and candid discussion among the independent directors is facilitated by the small size of the board and significant weight is attributed to the views and opinions of the independent directors. All independent directors are encouraged by the Chair of the Board to have open and candid discussions with the Chair and other members of the Board.

Attendance

Since April 29, 2016, there was one meeting of the board of directors and one meeting of the Audit Committee. The attendance record of each existing director at these meetings is set out below:

Director	**Board**	**Audit Committee**
Ian P. Howat	1/1	1/1
Craig Miller	1/1	1/1
Howard Riback	1/1	1/1
Peter Tolnai	1/1	N/A

Board Mandate

The board of directors is responsible for the stewardship of the Corporation and for supervising the management of our business and affairs. The board reviews, discusses and approves various matters relating to our strategic direction, business and operations and its organizational structure, with a view to our best interests.

While management is responsible for the day-to-day conduct of our business, in carrying out its supervisory responsibilities, the board of directors (or the committees of the board, as the case may be) has numerous responsibilities, including: (a) adopting a strategic planning process and approving a strategic plan; (b) identifying our principal business risks and ensuring the implementation of appropriate systems to manage these risks; (c) ensuring appropriate succession planning in place, including appointing, training and monitoring senior management; (d) developing a communications policy for the Corporation; (e) developing policies and procedures to ensure the integrity of our internal control and management information systems; (f) ensuring appropriate standards of corporate conduct, including adopting a code of business conduct and ethics, and monitoring compliance with and waivers from the code; (g) ensuring implementation of appropriate environmental stewardship and health and safety management systems; (h) reviewing and approving compensation of senior management; (i) adopting corporate governance guidelines or principles applicable to the Corporation; (j) reviewing annually the contribution of the board as a whole, the committees of the board and each of the directors; and (k) adopting a process for shareholders and other interested parties to communicate directly with the board of directors or its independent directors.

The board of directors has implemented and approved various policies, including the adoption of our Insider Trading Policy and Code of Business Conduct and Ethics.

Position Descriptions

Although written position descriptions have not been adopted, the Chairman of the board and of each committee are aware of the roles and responsibilities of each such position and are aided with reference to the Charter of each committee, as applicable. These roles and responsibilities include: chairing meetings; planning and organizing board/committee activities; providing leadership to enhance effectiveness; ensuring responsibilities are well understood by board/committee members and management, and that the boundaries between board and management responsibilities are clearly understood and respected; ensuring that adequate resources are available, including timely and relevant information, to allow the board/committee to meet its responsibilities; and reporting to the full board on decisions or recommendations made by a committee.

In addition, although a written position description has not been adopted, the Lead Independent Director provides leadership to the board and particularly to the independent directors, ensures that the board operates independently of management and that directors have an independent leadership contact, and chairs in camera meetings without members of management or non-independent directors in attendance following each board meeting and on other occasions, as required or desirable.

A position description for the CEO has not been developed; however, the CEO is charged with spearheading those functions that have been delegated by the board to management. The board assists in the delineation of the role and responsibilities of the CEO through its regular meetings.

Orientation and Continuing Education

Following the board and management changes in April 2016 (as described under "Recent Developments") but prior to the first board meeting following such changes, management met with each director to provide an informal orientation to the Corporation and its current business activities. Regular business updates were also provided during such time. A formal orientation session was held with the board at its first formal meeting during which management provided an overview of the Corporation, its current business activities and investments, as well as management's future plans.

Each new director brings a different skill set and professional background, and with this information, the board of directors is able to determine what orientation to the nature and operations of our business will be necessary and relevant to each new director. Continuing education for directors is provided as such need arises and open discussion is encouraged at all meetings, a format that fosters learning by the directors.

Management provides ongoing updates about our business activities and investments to directors on a routine basis that is sufficient to ensure that directors have the knowledge about our business to meet their obligations as directors.

Ethical Business Conduct

We have implemented a Code of Business Conduct and Ethics (the "Code") to be followed by our employees, officers and directors and those of our subsidiaries. The purpose of the Code is to, among other things, promote honest and ethical conduct, avoidance of conflicts of interest and compliance with applicable governmental laws, rules and regulations. A copy of the Code is available electronically under our issuer profile at www.sedar.com and a summary of certain of its provisions is provided below.

We are committed to sound environmental management. The Code confirms our intention to conduct ourselves in partnership with the environment and community at large as a responsible and caring business entity, and our commitment to managing all phases of our business in a manner that minimizes any adverse effects of our operations on the environment and the communities in which we do business.

The Code provides that our employees, officers and directors are required to act with honesty and integrity and to avoid any relationship or activity that might create, or appear to create, a conflict between their personal interests and the interests of the Corporation.

We are committed to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. The Code affirms our commitment to foster a work environment in which all individuals are treated with respect and dignity. We are an equal opportunity employer and do not discriminate against employees, officers, directors or potential employees, officers or directors on the basis of race, color, religion, sex, national origin, age or disability or any other category protected by applicable law.

All of our employees, officers and directors are expected to comply with the Code and any waiver from any part of the Code requires the approval of our CEO, in the case of an employee, or of the board of directors, in the case of an officer or director.

The Code also provides a process by which actual or potential violations of its provisions are to be reported (on a confidential basis) to the chairman of the Audit Committee and confirms that there will not be any reprisals against an individual who does so in good faith.

Corporate Governance, Nominating and Compensation Committee

The Compensation Committee and Corporate Governance and Nominating Committee were each dissolved by the board in February 2015 and reconstituted as the Corporate Governance, Nominating and Compensation Committee following the board and management changes described under "Recent Developments". The Corporate Governance, Nominating and Compensation Committee is composed of three directors – Craig Miller, Ian P. Howat and Howard Riback – each of whom is independent. Craig Miller is the Chair and has extensive experience as a director, chair or board observer of several private companies and non-profit organizations. Each member has, to the satisfaction of the board, sufficient skills and experience which are relevant and will contribute to the carrying out of the mandate of the committee. Each brings to the committee an understanding of financial and risk management matters relating to the Corporation specifically, as well as those matters in the context of other issuers, which enable the committee, as a whole, to make decisions concerning our compensation policies and practices.

The purpose of the Corporate Governance, Nominating and Compensation Committee is to assist the board of directors in fulfilling its responsibilities relating to the nomination of directors to the board, enhancement of the Corporation's governance and compensation of the Corporation's directors and officers. The following is a summary of its key representatives:

- The Corporate Governance, Nominating and Compensation Committee participates in the director nomination process by identifying new candidates for nominations who, by virtue of their skills, diversity of background and experience, areas of expertise, industry knowledge, geographic location and industry contacts are beneficial to the Corporation. If desirable, the board may also retain search firms to assist it in identifying candidates. The Corporate Governance, Nominating and Compensation Committee also establishes the procedures and approve appropriate orientation and education programs for new directors, such that they fully understand the role of the board and its committees, the contribution that individual directors are expected to make and the nature and operation of the Corporation's business.

- The Corporate Governance, Nominating and Compensation Committee enhances the Corporation's governance policies by developing and recommending to the board corporate governance guidelines, periodically reviewing and reassessing the adequacy of such guidelines and recommending any proposed changes for the board's approval. It leads an annual review of the board, including an assessment of the composition and effectiveness of the board and the contribution and effectiveness of individual directors and report its assessment to the board following the end of each fiscal year. In addition, it will recommend to the board a position description for the Chairman of the board.

- The Corporate Governance, Nominating and Compensation Committee reviews and considers the compensation policies with respect to senior management and submits recommendations thereof to the board. The Corporate Governance, Nominating and Compensation Committee establishes annual corporate goals and objectives against which to review and assess the senior management's performance. In addition, it conducts periodic reviews of the status of the Corporation's equity compensation plans, if any, and submits recommendations to the board with respect to any new equity-based compensation plan or other incentive plan or any amendments to existing plans.

- The Corporate Governance, Nominating and Compensation Committee is responsible for regularly reviewing directors' performance in order to determine whether they are functioning effectively. The Corporate Governance, Nominating and Compensation Committee may perform such reviews through the completion of an analytical board and committee effectiveness questionnaire by each director, data analysis and a review of preliminary findings by the committee and reporting to and discussion among the directors.

Audit Committee

The Audit Committee is comprised of three board members – Craig Miller, Ian P. Howat and Howard Riback. Howard Riback is the Chair. The Corporation has determined that each of the committee members is independent and financially literate for the purposes of NI 52-110. Each of the Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. The relevant education and experience of each member of the Audit Committee is as follows:

- Craig Miller holds an M.B.A. from Harvard Business School. He has extensive experience in financial analysis and review of financial statements as a consultant at McKinsey & Company and in his current role as Vice President of Corporate Development at Pineridge Group, which involves the frequent review and analysis of financial statements.

- Ian P. Howat holds an M.B.A. from the University of Western Ontario and has over 25 years' experience in the mining sector.

- Howard Riback is a Chartered Professional Accountant with over 35 years of accounting and financial experience. He was the CFO of Ventures West Capital Ltd. from 1991 to 2013. As CFO, Howard Riback was responsible for the financial and legal due diligence of all of Ventures West Capital Ltd.'s investments and for the financial reporting of its managed investment funds.

The responsibilities of the Audit Committee include: (i) reviewing the Company's procedures for internal control with the Company's auditors and CFO; (ii) reviewing and approving the engagements of the auditors; (iii) reviewing annual and quarterly financial statements and management's discussion and analysis thereon; (iv) reviewing and recommending to the board for acceptance, prior to their public release, all material financial information required to be gathered and disclosed to the public by the Corporation; (v) assessing the Company's financial and accounting personnel; (vi) assessing the Corporation's accounting policies; (vii) reviewing the Corporation's risk management procedures; (viii) reviewing any significant transactions outside the Corporation's ordinary course of business, including related-party transactions, and any legal matters that may significantly affect the Corporation's financial statements; (ix) overseeing the work and confirming the independence of the external auditors; and (x) reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management.

Term Limits and Other Mechanisms for Board Renewal

We have not adopted term limits for our directors or other formal mechanisms for board renewal. Our board is of the view that the Corporation is best served where a balance exists between directors with the in-depth knowledge and institutional memory that comes from serving over longer periods of time and newer directors who bring different experiences and new perspectives. In our view, term limits ignore this balance.

Representation of Women on the Board and in Executive Officer Positions

We have not adopted a written policy relating to the identification and nomination of female directors. The board, however, supports the principles of diversity and recognizes the importance of diverse backgrounds, skills and experience and gender diversity when considering potential candidates who have the core skills and qualities to serve as directors. The board appreciates that the existing imbalance in respect of female representation on corporate boards is due primarily to a lack of opportunity, rather than qualifications, and intends to approach the process of identifying future candidates for board positions with a view to expanding its own diversity.

We have not adopted a target regarding the number of women on our board or in executive officer positions. We recognize the importance and value of gender diversity but believe, at this time, the Corporation is best served by making thoughtful and informed executive and board recruitment decisions that further diversity principles rather than applying a mathematical approach to any selection criteria. There are currently no women on our board (0 of 4 directors), which represents 0% of the board, and one woman holds an executive officer positions (1 of 2 executive officer positions), which represents 50% of the Corporation's executive officer positions.

ADDITIONAL INFORMATION

Additional information concerning the Corporation is available on SEDAR at www.sedar.com. Financial information concerning the Corporation is provided in our audited comparative financial statements and management's discussion and analysis thereon for the financial year ended December 31, 2015 and our unaudited comparative consolidated interim financial statements and management's discussion and analysis thereon for the three and six month periods ended June 30, 2016. Certain information pertaining to our audit committee and our external auditors is also provided in the section entitled "Audit Committee Information" of our annual information form for the financial year ended December 31, 2015, which is also available on SEDAR at www.sedar.com.

Shareholders wishing to obtain a copy of our financial statements and management's discussion and analysis may contact us at: Pinetree Capital Ltd., 34 King Street West, Suite 1100, Toronto, Ontario, M5C 2X8, or 416-941-9600.

DIRECTORS' APPROVAL

The contents and sending of this Circular to each director of the Corporation, each shareholder of the Corporation entitled to notice of the Meeting and the auditor of the Corporation have been approved by the directors of the Corporation.

DATED at Toronto, Ontario this 22nd day of August, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Peter Tolnai*"

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Peter Tolnai
Chairman and Chief Executive Officer