



Corporate Presentation

# Venture to Grow



# Forward Looking Statements

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## Forward-Looking Information

Certain information in this presentation constitutes forward-looking information, which is information regarding possible events, conditions or results of operations of Pinetree that is based upon assumptions about future economic conditions and courses of action and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as “seek”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this presentation includes our expectations regarding the performance of our investments and our ability to generate returns, and is based upon material factors and assumptions such as continued strength in commodity prices, increased demand for commodities (driven in part by continued economic growth in China and other BRIC countries) and declining supplies, continued weakness of the U.S dollar and other factors which are indicated in the presentation.

Forward-looking information involves known and unknown risks, uncertainties and other factors (many or most of which are beyond our control) that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking information contained in this presentation include, but are not limited to: market fluctuations generally and their impact on our investments, the sensitivity of commodity prices to various factors beyond our control, foreign political and economic conditions which are inherently unpredictable, and other risks included in the Company’s current annual information form and other public disclosure documents filed with certain Canadian securities regulatory authorities and available under Pinetree’s profile at [www.sedar.com](http://www.sedar.com).

Although we have attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information in this presentation, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. We believe the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this presentation. The forward-looking information is provided as at the date hereof and we undertake no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this presentation is expressly qualified by this cautionary statement.

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## Capital Structure as at September 31, 2011

--- Listing	TSX – PNP
Common Shares	136.5
Options	11.8 M (WAEP \$3.18)
Warrants / Broker Warrants	20.5 M (WAEP \$7.31)
Listed Warrants:	
PNP.WT	5.0 M (\$15.00, expiry Apr 16, 2012)
PNP.WT.A	6.9 M (\$6.50, expiry Oct 23, 2012)
PNP.WT.B	8.7 M (\$3.50, expiry July 11, 2013)
Market Capitalization	\$240.2 M (@C\$1.76 as at November 9, 2011)
Shareholder's Equity	\$360.8 M
Net Asset Value Per Share* (September 30, 2011)	\$2.64

### **\*Use of Non-IFRS Measures**

NAV is a non-IFRS (international financial reporting standards) measure calculated as the value of total assets less the value of total liabilities divided by the total number of common shares outstanding as at a specific date. The term NAV does not have any standardized meaning according to IFRS and therefore may not be comparable to similar measures presented by other companies. There is no comparable IFRS measure presented in Pinetree's consolidated financial statements and thus no applicable quantitative reconciliation for such non-IFRS financial measure. The Company has calculated NAV consistently for many years and believes that NAV can provide information useful to its shareholders in understanding its performance, and may assist in the evaluation of its business relative to that of its peers.



## Bullish on Resources

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- ▶ **Driven by Macro Themes**
    - ▶ Population Growth/Migration
    - ▶ Emerging Economies – Brazil, Russia, India and China
    - ▶ Pending or Current Commodity Supply and Demand Imbalances
    - ▶ Pricing Trend and Future Bias Both Pointing Up
  
  - ▶ **Commodity Themes**
    - ▶ Precious Metals - Decline of US Empire
    - ▶ Uranium & Coal - Electrification
    - ▶ Base Metals - Urbanization
    - ▶ Oil and Gas, Coal - Growing Energy Requirements
    - ▶ Lithium, Rare Earths - Clean Energy Technology
    - ▶ Specialty Metals - Increasing Steel Production and Growth in New Applications
    - ▶ Potash – Population Growth/Dietary Changes
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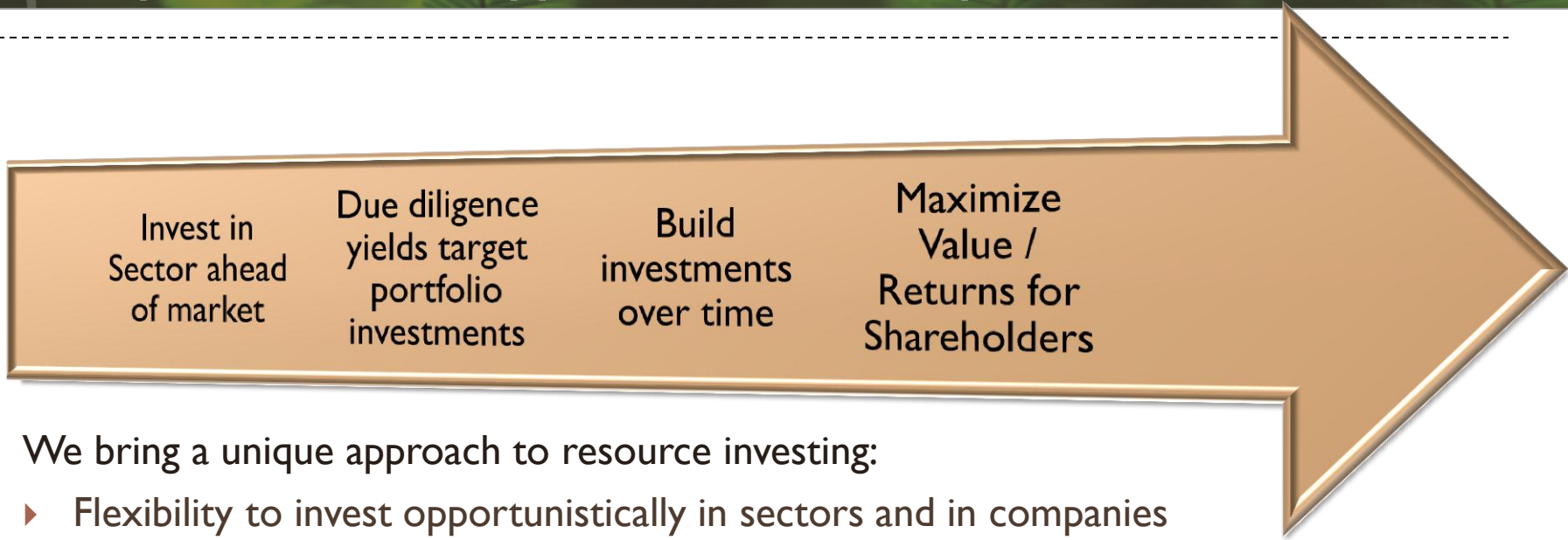
## Investment Highlights

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- ▶ Unique Approach to Resource Investing
- ▶ Experienced Management Team Led by Sheldon Inwentash
- ▶ Proven Track Record of Outperformance
- ▶ Unparalleled Access to Deal Flow
- ▶ Management Interests Aligned with Shareholders



## Unique Investment Approach to Small Cap. Universe



- ▶ We bring a unique approach to resource investing:
  - ▶ Flexibility to invest opportunistically in sectors and in companies
  - ▶ Conduct due diligence
  - ▶ Known for backing the winners
  - ▶ Actively negotiate investments within portfolio companies
  - ▶ Act as a value-added partner to management teams
  - ▶ In certain instances, take an active role in building portfolio companies over time

Knowing when to exit is as important as knowing what to invest in.



## How is Pinetree Different?

	Pinetree Capital
Investee Stage of Development	<b>Seed to Discovery</b> Early investor, typically at the seed round making repeat investments as milestones are achieved.
Sources of Deal Flow	<b>Widespread</b> Proprietary deal-flow from relationships built over 20 year history.
Due Diligence	<b>Proprietary</b> In-house team, network of industry contacts and affiliated companies.
Investment process	<b>Flexible</b> Able to act quickly due to flat structure and limited bureaucracy.
Deal Size/Structure	<b>Unconstrained</b> Open to buying private or public companies, taking large positions and owning a large number of names.
Investee Involvement	<b>Engaged</b> Will take active role when needed with investee companies including board and management participation, providing strategic advice and introducing key partners and investors.
Compensation Structure	<b>Competitive</b> Expenses average 1.5% of net assets at fair value with management bonus equal to 10% of the increase in net asset value over a high water mark.



## Sheldon Inwentash



- ▶ Almost 30 years of investing background from resources to technology and back to resources
- ▶ Extensive network of contacts who provide investment opportunities and due diligence assistance
- ▶ Track record of investing ahead of the market
- ▶ Reputation for “fair” deals and quick response
- ▶ Demonstrated expertise in backing winning players and building portfolio companies
- ▶ Entire career has been focused on financing start-up and emerging companies
- ▶ Specializes in Discovery Investing



**Impressive Returns Leading to Shareholder Value**





# Management Team

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## Sheldon Inwentash – Chairman and CEO

C.A., over 30 years investing (resource, technology, biotech) experience

### Finance, Operations & Governance

- ▶ **Gerry Feldman, C.A. – Chief Financial Officer**
  - ▶ 28 years of experience in corporate finance, merger & acquisition activities and financial experience
- ▶ **Richard Patricio, LL.B – Vice President, Legal & Corporate Affairs and Investor Relations**
  - ▶ Lawyer, focus on securities, M&A and general corporate initiatives
- ▶ **Wendy Warhaft, LL.B – General Counsel**
  - ▶ Lawyer, focus on corporate finance, M&A and corporate initiatives.

### Research & Investments

- ▶ **Steven Gold – Vice President, Investments**
  - ▶ Responsible for managing day to day portfolio matters in addition to working with executive management to coordinate investment processes with the research and trading divisions.
- ▶ **Jamie Levy – Vice President, Trading**
  - ▶ Over 20 years experience in trading securities, focus on Pinetree portfolio
- ▶ **Philip Williams, CFA – Vice President, Business Development, CFA**
  - ▶ Over 10 years of financial experience, focus on new investment opportunities and business strategies.
- ▶ **Mat Wilson – Special Situations Analyst**
- ▶ **Mark Raguz – Resource Analyst**
- ▶ **Jay Gordon – Trader**



## Board of Directors

**Marshall Auerback, LL.B** - Marshall Auerback is a Director of Pinetree and also serves as Corporate Spokesperson. Mr. Auerback is a Senior Fellow at the Roosevelt Institute and has 28 years of experience in the investment management business, currently serving as a portfolio strategist for Madison Street Partners, LLC, a Denver-based hedge fund. He is also a fellow at Economists for Peace and Security. Mr. Auerback graduated magna cum laude from Queen's University in 1981 and received a law degree from Corpus Christi College, Oxford University.

**Andrew Fleming, LL.B** – Andrew Fleming has extensive experience in business law, including company, securities and banking law and regulatory requirements relating to corporate transactions, financings and mergers and acquisitions. He has participated in all aspects of company law, including advising on general corporate matters relating to governance and structure and assisting in major corporate reorganizations by way of arrangements and amalgamations. Mr. Fleming has served on numerous industry and government committees dealing with securities and corporate law matters in Canada.

**Gerry Goldberg, C.A.** - Gerry Goldberg is a Chartered Accountant and is a senior Partner in the accounting firm of Schwartz Levitsky Feldman LLP, in Toronto, which has been ranked among the largest accounting firms in Canada. Mr. Goldberg has over 40 years of experience in accounting and audit. He heads the US Public Company audit division of the firm and has industry expertise in the service, distribution, retail, real estate and manufacturing industries.

**Peter Harder, LL.D., M.A.** – Peter Harder is Senior Policy Advisor to Fraser Milner Casgair LLP. Mr. Harder possesses a wealth of expertise in public policy as a result of his involvement at the center of government decision making for over thirty years. Prior to joining FMC, Mr. Harder was a long serving Deputy Minister in the Government of Canada. First appointed a Deputy Minister in 1991, he served as the most senior public servant in a number of federal departments including Treasury Board, Solicitor General, Citizenship and Immigration, Industry and Foreign Affairs and International Trade.

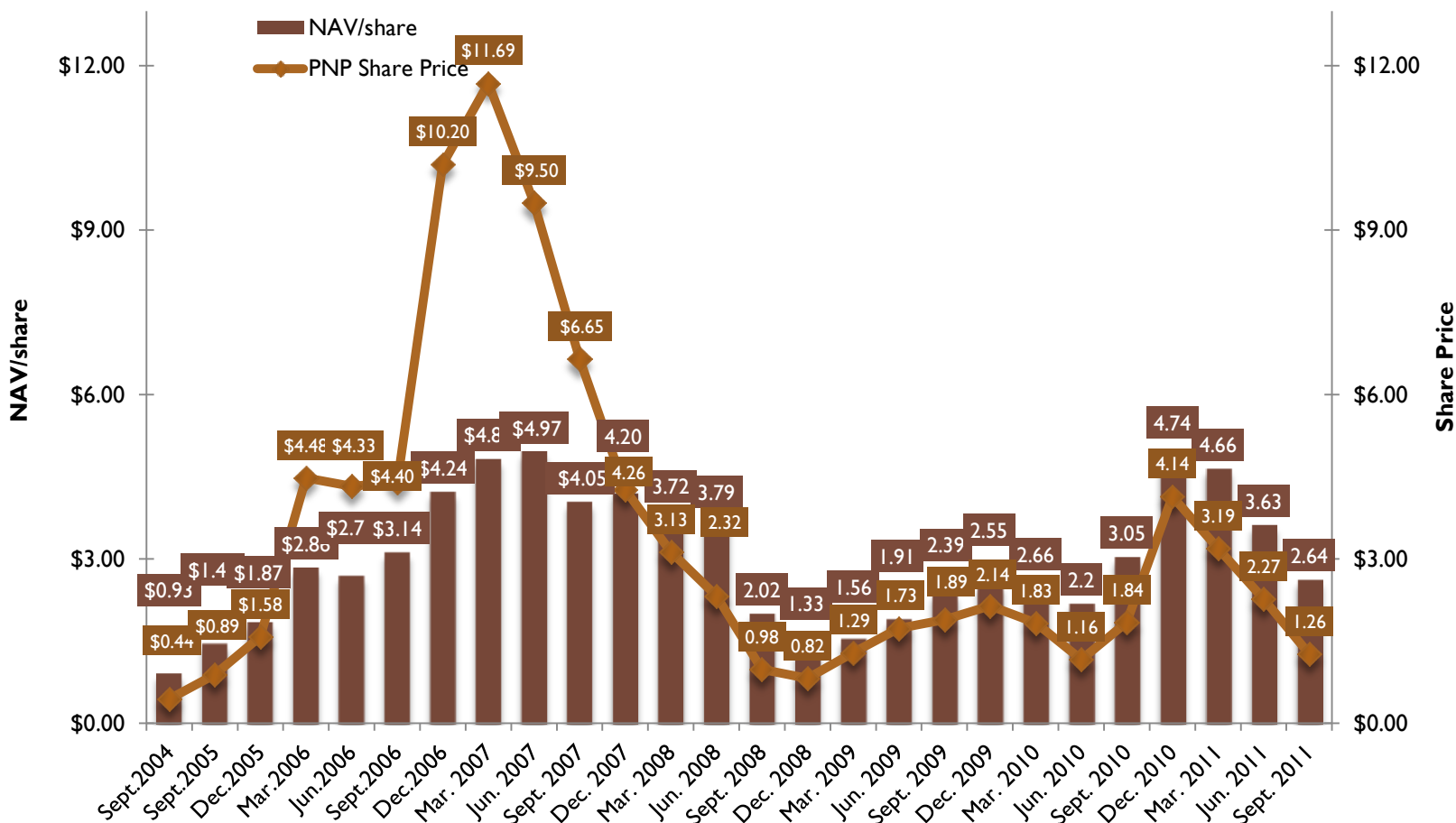
**Bruno Maruzzo** – Bruno Maruzzo is President of TechnoVenture Inc., a technology consulting company. Mr. Maruzzo has worked with a variety of public and private high technology companies in the computer, medical instrumentation and biotechnology sectors, where he held positions in a range of areas including business development, corporate development, investor relations, engineering management and general management. He has also worked in the venture capital field, sourcing, assessing and making investments in early-stage technology-based companies in Canada and the US.

**Paul Parisotto** – Paul Parisotto is an experienced mining executive. Mr. Parisotto was previously President and CEO of Arizona Star Resource Corp., when it was acquired by Barrick Gold Corp. From November 2008 to June 2009 he was the Co-Interim CEO of Noront Resources Ltd and most recently was the President and Chief Executive Officer of Tamaka Holdings Inc., a private gold exploration and development company. Mr. Parisotto is President of Coniston Investment Corp., an investment banking boutique specializing in assisting public and private technology, biotechnology and resource companies including raising equity plus debt and advisory services.

**Ronald Perry, C.A.** - Mr. Perry has almost 30 years of accounting, financial and entrepreneurial business experience in high technology, venture capital and merchant banking companies. Since the year 2000, Mr. Perry has been the Founder and President of Briolijor Corporation, a financial consulting company to both private and public corporations. Mr. Perry has been involved in all facets of business including statutory reporting, internal controls, legal aspects as well as all administrative responsibilities.



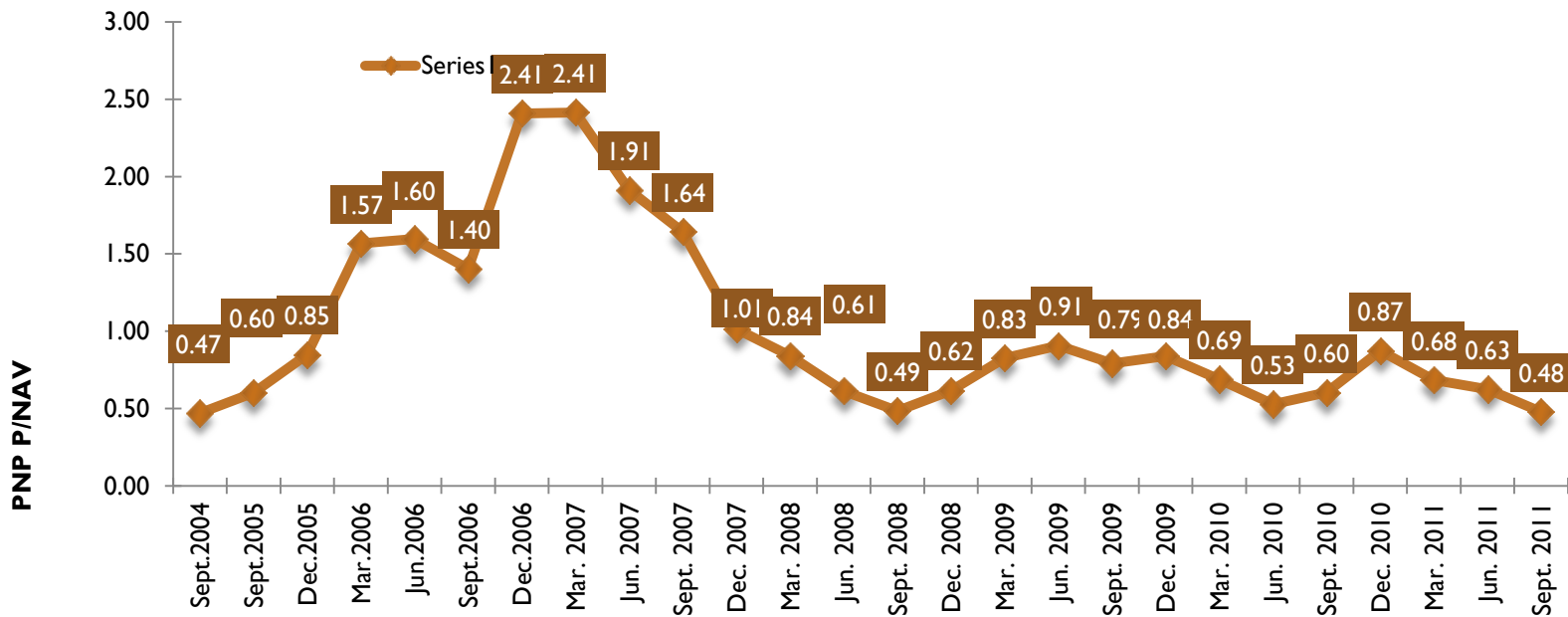
# Pinetree's Track Record



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# Pinetree's Track Record

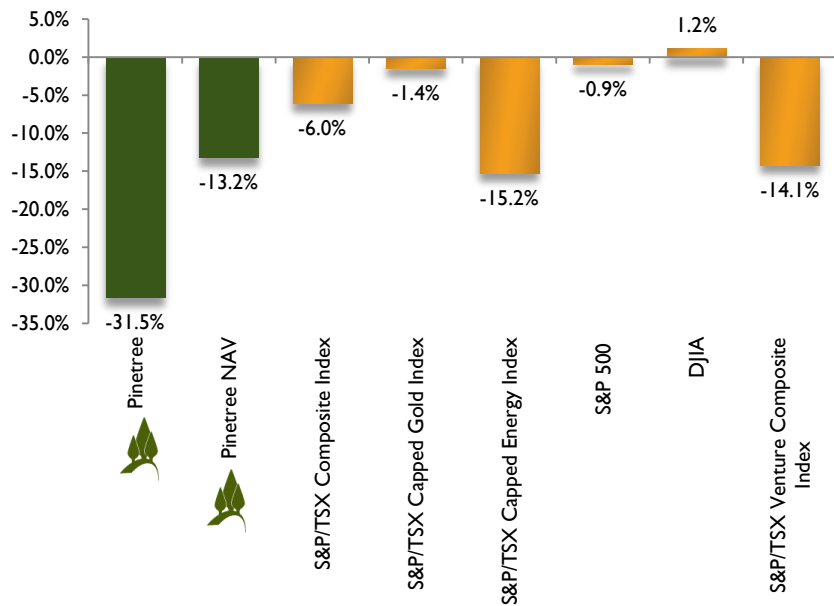


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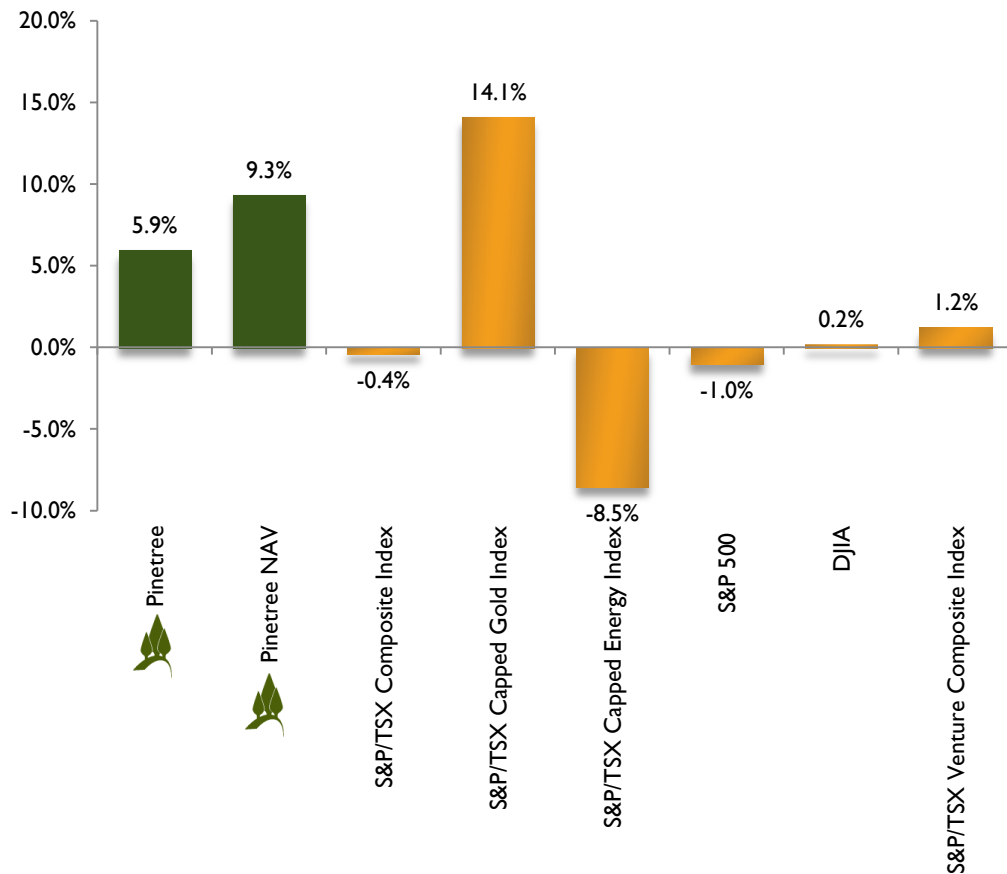


# Pinetree's Track Record

**1 Year (September 2010 – September 2011)**

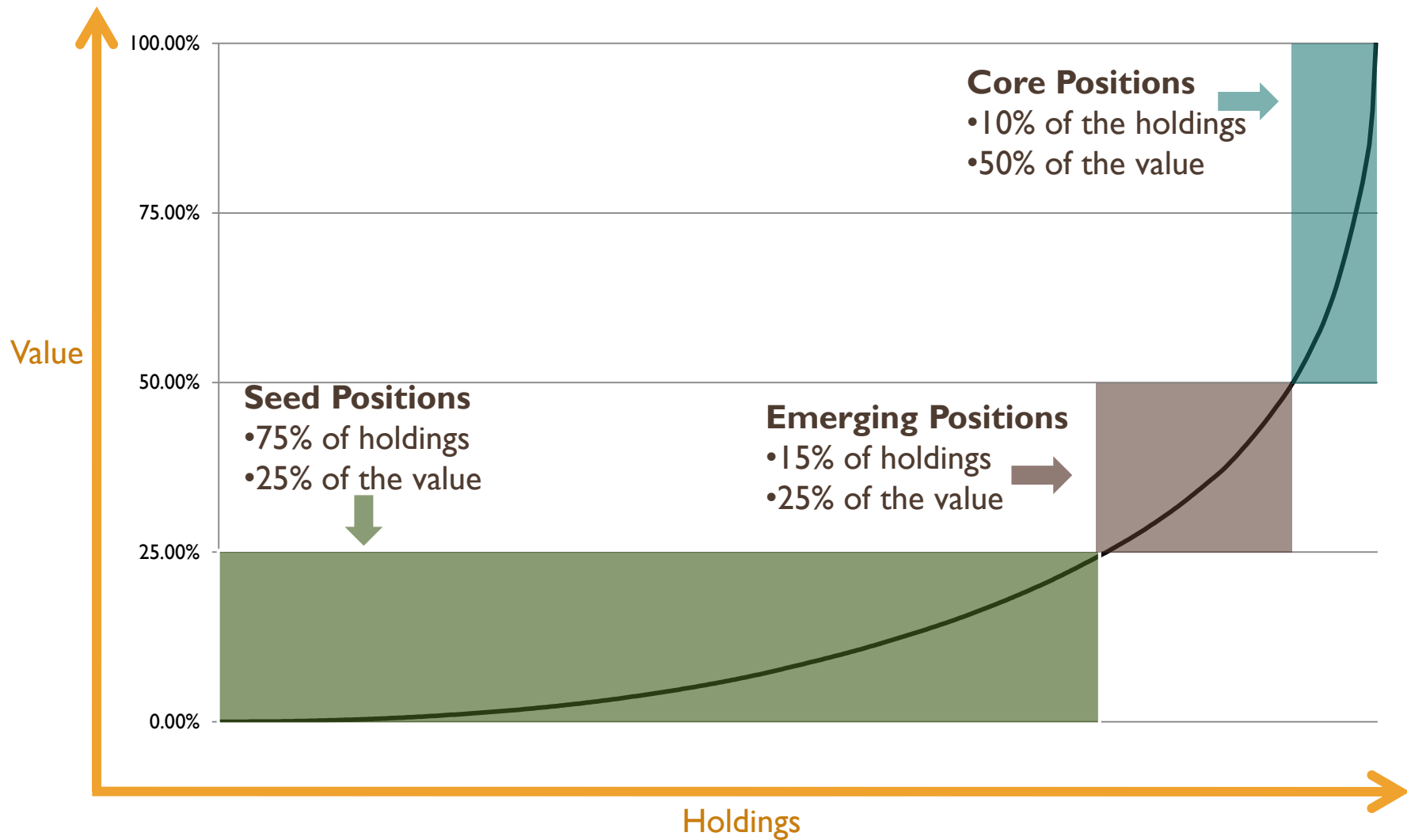


**3 Year (September 2008 – September 2011) - CAGR**





# Portfolio Composition





## Our Approach to Company Selection

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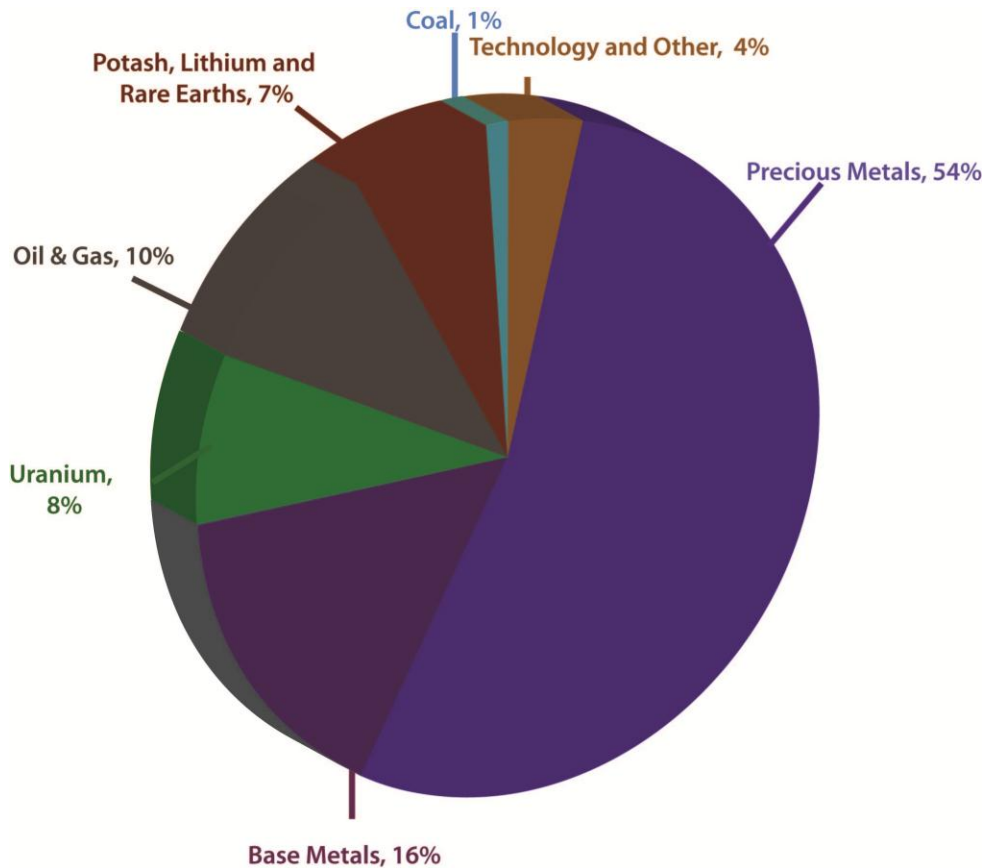
- ▶ Large and/or strategic land positions
- ▶ Well structured companies
- ▶ Low royalties and/or carried interests
- ▶ International exposure
- ▶ Broken, under-capitalized or misunderstood stories
- ▶ Strong management and relationships



# Portfolio by Sector (September 30, 2011)

## Portfolio Sector Breakout

(Percentages are of total portfolio fair value)



▶ Investments are currently primarily in these resource sectors:

- ▶ Precious Metals, Base Metals, Oil & Gas, Potash, Lithium and Rare Earths. Uranium and Coal.







## Investment Highlights

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- ▶ Experienced Management Team Led by Sheldon Inwentash
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## Appendix - Precious Metals

- ▶ Pinetree began investing in precious metal stocks in late 2002 – when gold was at the \$300 / oz level.
- ▶ Opportunistic increases in the precious metals sector have led to outperformance.
- ▶ We believe superior returns will come from investments in junior exploration and development companies, given their potential for discovery and their high level of leverage to elevated gold and silver prices.

### Sector themes

- ▶ Weak prospects for U.S. dollar due to increasing government debt and quantitative easing
- ▶ Low to negative real interest rates
- ▶ Declining mine supply

### Current Positions

- ▶ Continental Gold (CNL:TSX)
  - ▶ Exit proceeds + current value\* - \$22.8 M (2.7 x cost)
- ▶ Gold Canyon (GCU:TSXV)
  - ▶ Exit proceeds + current value\* - \$31.7 M (4.1 x cost)
- ▶ Queenston Mining (QMI:TSX)
  - ▶ Exit proceeds + current value\* - \$27.4 M ( 1.8 x cost)
- ▶ Azimuth Resources (AZH:ASX)
  - ▶ Exit proceeds + current value\* - \$12.7 M (4.3 x cost)



\*as at September 30, 2011

## Appendix - Base and Specialty Metals

- ▶ Invested in this group continuously throughout Pinetree's history with varied weightings over time as commodities came in and out of favour.
- ▶ Early investor in molybdenum, vanadium, potash, rare earths and lithium.
- ▶ Pinetree's outlook for base metals in general remains positive, driven by the economic growth of China and India, generating demand for construction materials and therefore base metals.

### Sector themes

- ▶ BRIC growth remains strong.
- ▶ Specialty metals attracting wider audience as evidenced by recent LME listings for cobalt and molybdenum.
- ▶ Rare earth elements becoming recognized as strategic by governments.
- ▶ Lithium garnering major attention as major input to battery of choice for next generation of clean vehicles.
- ▶ Potash demand supported by population growth and improvement in diet quality.

### Current Positions

- ▶ Stans Energy Corp (RUU:TSX)
  - ▶ Exit proceeds + current value\* - \$14.9 M (2.9 x cost)
- ▶ Macarthur Minerals (MMS:TSXV)
  - ▶ Exit proceeds + current value\* - \$7.9M (0.9 x cost)
- ▶ Lithium Americas (LAC:TSX)
  - ▶ Exit proceeds + current value\* - \$4.5 M (0.6 x cost)



\*as at September 30, 2011

## Appendix - Oil and Gas

- ▶ Pinetree is a long time investor in the oil and gas market, having started investing in this sector in early 2003 when oil was trading at \$30/barrel.
- ▶ Pinetree believes oil prices will continue to remain elevated into the future, driven by supply and demand issues. Elevated oil prices allow high risk, high cost discoveries to become economic.
- ▶ Focused on unconventional plays and underexplored basins.



### Sector themes

- ▶ Better than expected recovery in Chinese demand
- ▶ Declining non-OPEC supply and OPEC storage capacity
- ▶ Shrinking reserves per well and average productivity
- ▶ Rising marginal cost

### Current Positions

- ▶ Brownstone Energy Inc. (BWN:TSXV)
  - ▶ Exit proceeds + current value\* - \$12.6 M (0.8 x cost)
- ▶ Donnybrook Energy Inc. (DEI:TSXV)
  - ▶ Exit proceeds + current value\* - \$4.7 M (1.0 x cost)
- ▶ Primary Petroleum (PIE:TSX)
  - ▶ Exit proceeds + current value\* - \$13.0 M (1.9 x cost)

\*as at September 30, 2011



## Appendix – Uranium and Coal

### Uranium

- ▶ Early investor into uranium sector (late 2004) based on positive view of commodity fundamentals.
- ▶ Exited most positions in early 2007 following significant run-up in the commodity and equity prices.
- ▶ Re-entered sector in late 2008 focused on mispriced companies with “real” assets and juniors with strong exploration teams and land packages in pro-uranium jurisdictions.

### Coal

- With world steel production continuing to rebound from the global economic crisis, The World Steel Association is forecasting a 9.2% increase in steel demand for 2010 and a return to the record production levels of 2008.

### Sector themes

- ▶ China continues massive build out
- ▶ More supply disruptions likely
- ▶ M&A activity to continue
- ▶ Spot price largely irrelevant
- ▶ Long term prices supported by pending market deficit

### Current Positions

- ▶ Rockgate Capital (RGT:TSXV)
  - ▶ Exit proceeds + current value\* – \$22.7 M (1.8 x cost)
- ▶ Tournigan Energy Limited.(TVC:TSXV)
  - ▶ Exit proceeds + current value\* - \$18.4 M ( 1.7 x cost)

\*as at September 30, 2011