

SECOND SUPPLEMENTAL INDENTURE

DATED SEPTEMBER 12, 2013

supplementing the Convertible Debenture Indenture dated as of May 17, 2011

AMONG

PINETREE CAPITAL LTD.

AND

EQUITY FINANCIAL TRUST COMPANY

THIS SECOND SUPPLEMENTAL INDENTURE dated as of the 12th day of September, 2013

BETWEEN:

PINETREE CAPITAL LTD., a company duly incorporated under the laws of the Province of Ontario (hereinafter called the “**Company**”)

- and -

EQUITY FINANCIAL TRUST COMPANY, a trust company organized under the laws of Canada (hereinafter called the “**Trustee**”)

WHEREAS the Company entered into an indenture (the “**Indenture**”) dated as of May 17, 2011 which provides for the issuance of one or more series of unsecured subordinated debentures of the Company;

AND WHEREAS the Company issued 8.0% Convertible Unsecured Subordinated Debentures due May 31, 2016 in the aggregate principal amount of \$75,000,000 pursuant to the terms of the Indenture;

AND WHEREAS the Company entered into a First Supplemental Indenture dated as of December 11, 2012 to add covenants and events of default for the benefit of the Trustee and the holders of the Debentures;

AND WHEREAS, pursuant to Section 16.1(e) of the Indenture, the Company wishes to enter into this Second Supplemental Indenture to (i) provide for a temporary amendment of a covenant under the Indenture and a waiver of any currently existing breach thereof and (ii) increase the interest rate payable on the Initial Debentures;

NOW THEREFORE THIS SECOND SUPPLEMENTAL INDENTURE WITNESSES, for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), and it is hereby covenanted, agreed and declared by the parties hereto and for each other and the equal and rateable benefit of the holders of the Debentures, as follows:

ARTICLE 1 INTERPRETATION

1.1 To Be Read With Indenture

The Indenture, the First Supplemental Indenture and this Second Supplemental Indenture shall be read together and shall have effect so far as practicable as though all the provisions of both indentures were contained in one instrument.

1.2 Second Supplemental Indenture

The terms “this Second Supplemental Indenture”, “this indenture”, “herein”, “hereof”, “hereby”, “hereunder”, and similar expressions, unless the context otherwise specifies or requires, refer to the Indenture as supplemented by the First Supplemental Indenture and this Second

Supplemental Indenture and not to any particular Article, Section, subsection or clause or other portion thereof, and include every instrument supplemental or ancillary to this Second Supplemental Indenture.

1.3 Definitions

All terms which are defined in the Indenture and used but not defined in this Second Supplemental Indenture shall have the meanings ascribed to them in the Indenture.

ARTICLE 2 AMENDMENTS

2.1 Interest Rate

Beginning on November 30, 2013, the Initial Debentures shall bear interest at the rate of 10.0% per annum. In order to reflect the foregoing:

- (a) Section 2.4(c) of the Indenture shall be amended to delete the first sentence thereof and replace it with the following:

“The Initial Debentures shall bear interest from the date of the Initial Debentures at the rate of 8.0% per annum until November 30, 2013, as of which date, the Initial Debentures shall bear interest at the rate of 10.0% per annum, (based on a year of 365 days (or 366 days in the case of a leap year)), payable in equal (with the exception of the first interest payment which will include interest from and including the date of closing of the Offering as set forth below) semi-annual payments in arrears on May 31 and November 30 in each year, the first such payment to fall due on November 30, 2011 and the last such payment (representing interest payable from the last Interest Payment Date to, but excluding, the Maturity Date of the Initial Debentures) to fall due on May 31, 2016, payable after as well as before maturity and after as well as before default, with interest on amounts in default at the same rate, compounded semiannually.”; and

- (b) effective as of the date hereof, other than in respect of Section 2.4(c) of the Indenture, all references to “8.0%” in the Indenture shall be amended to read “10.0”.

2.2 Waiver of Covenant and Default

Notwithstanding anything in the Indenture to the contrary:

- (a) Beginning on the date of this Second Supplemental Indenture and ending on June 12, 2014, the covenant set forth in Section 7.10(d) of the Indenture shall be amended to delete the reference to “33%” therein and replace it with “50%”. For greater certainty, from and after June 12, 2014, Section 7.10(d) of the Indenture shall once again refer to “33%” and not “50%”.

- (b) No breach of Section 7.10(d) of the Indenture by the Company or any of its Subsidiaries that occurred prior to the date hereof or that exists as of the date of hereof shall constitute an Event of Default at any time. For greater certainty, no breach of Section 7.10(d) of the Indenture that occurs on or after the date of this Second Supplemental Indenture shall constitute an Event of Default except in accordance with Section 8.1(e) of the Indenture

ARTICLE 3 MISCELLANEOUS

3.1 Acceptance of Trust

The Trustee accepts the trusts in this Second Supplemental Indenture and agrees to carry out and discharge the same upon the terms and conditions set out in this Second Supplemental Indenture and in accordance with the Indenture.

3.2 Confirmation of Indenture

The Indenture as amended and supplemented by this Second Supplemental Indenture is in all respects confirmed.

3.3 Counterparts

This Second Supplemental Indenture may be executed in several counterparts, each of which once executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. This Second Supplemental Indenture may be executed and delivered by facsimile or other electronic transmission of a manually signed counterpart.

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IN WITNESS WHEREOF, the parties hereto have executed this Second Supplemental Indenture as of the date first written above.

PINETREE CAPITAL LTD.

Per: “Richard Patricio”
Name: Richard Patricio
Title: Vice President, Corporate and
Legal Affairs

EQUITY FINANCIAL TRUST COMPANY

Per: “Carol Mikos”
Name: Carol Mikos
Title: Vice President, Trust Services

Per: “Derrice Richards”
Name: Derrice Richards
Title: Senior Advisor, Trust Services