



# Pear Tree

Expanding the Universe of Exploration Capital



An aerial photograph of a suspension bridge spanning a wide body of water. The bridge has two tall towers and numerous suspension cables. In the background, a city skyline is visible across the water. The sky is a clear, pale blue. The overall scene is captured from a high angle, looking down at the bridge and the surrounding landscape.

# Expanding the Universe of Exploration Capital

Extensive network of Canadian issuers and  
global resource investors.

# About Us

---

## Leading source of exploration & development capital

---

PearTree is a Canadian Securities Dealer and Investment Fund Manager advancing over C\$600 million annually for resource exploration and mine development in a uniquely Canadian structure, which results in as much as 75% more capital deployed for every \$1.00 invested by global institutions and family offices.

PearTree's platform and investor capital results in the triple benefit of reduced issuer dilution, reduced cost of share ownership, and enhanced governance within a Canadian regulatory environment ensuring that invested capital is deployed on site and for no other purpose.



# Value Proposition

---

PearTree's investment platform and capital leverages Canadian Resource tax incentives known as flow-through shares (FTS) benefiting issuers and global investors:

- Common shares designated as FTS issued at premiums to market
- On resale by PearTree to global investors shares are sold at discount to market, stripped of tax value
- PearTree is paid by its clients – no fees payable by the issuer

# Applications

---

- Bridge valuation gaps for strategic investments
- Facilitate financing of M&A transactions including via subscription receipts exchangeable for flow-through shares
- Suitable for global, strategic & institutional investors
- Finance earn-ins
- Applications for public or private companies
- Better economics for buyers, both Canadian and foreign, seeking to invest in Canadian projects
- Available to foreign listed issuers seeking to finance Canadian projects



# What is a Flow-Through Share?

---

The Canadian Flow-Through Share tax regime was established in the 1970s to promote exploration investment in Canada. Resource issuers can flow-through the tax deductions and credits associated with the issuers' exploration and development activities to the first subscribers of these common shares.

In order to issue flow-through shares, the use of proceeds must be for new exploration as defined in Canadian law and set out in the new issue subscription agreement. Upon sale or donation, the securities remain common shares. The regime was later expanded to include issuers' development costs and more recently renewable energy activities.

## Value to Global Investors

---

The tax deduction available to the first subscriber enables a charity disposition to global investors at discounted prices.

## Value to Issuers

---

Since a flow-through share is comprised of a common share plus embedded tax value, issuers are able to attract a new issue price at a premium to a prevailing market price, thus reducing equity new issue dilution.

# Where Finance Meets Philanthropy

The flow-through tax regime is technical and includes rules which require investor risk and prohibits self-dealing. PearTree developed a platform—compliant with and confirmed by Canadian tax authorities—which includes a series of transactions in which:

## Step 1

---

Canadian philanthropists buy flow-through shares for their tax value.

## Step 2

---

Canadian philanthropists immediately gift the shares to Canadian charities of their choice.

## Step 3

---

In turn, charities immediately sell the donated shares to pre-identified institutional and strategic buyers.

▶ All transactions close on the same day and the donation receipt is equal to share sale price.

Find out more at [peartreecanada.com/tax-rulings-and-technical-interpretations/](https://peartreecanada.com/tax-rulings-and-technical-interpretations/)

# PearTree Flow-Through Financing Illustration

Participating in mature exploration & development financings



► Size: \$15 million brokered flow-through offering with strategic institutional participation

\*Flow-through shares are common shares that permit the initial purchaser to claim a deduction equal to the subscription price against any income.

\*\*If this financing was a unit offering, then the entire unit would be conveyed to the end buyer.

\*\*\*Syndicate of underwriters including Canaccord Genuity Corp. as sole bookrunner and together with BMO Nesbitt Burns Inc., as co-lead underwriters. Institutional participation included Agnico Eagle Mines Limited and Hudbay Minerals Inc.

\*\*\*\*For illustrative purpose only. Deltas vary by province/territory depending on the availability/size of provincial tax credits. Deltas may change from time to time in response to public market conditions.

# PearTree Flow-Through Financing Illustration

Participating in early stage opportunities



» Size: \$93.3 million Charity Flow-Through offering as part of a \$115.9 million total strategic financing.

» Led by strategic participation from AngloGold Ashanti plc.

\*Flow-through shares are common shares that permit the initial purchaser to claim a deduction equal to the subscription price against any income.

\*\*If this financing was a unit offering, then the entire unit would be conveyed to the end buyer.

\*\*\*SAF Capital Partners, a division of SAF Group, acted as strategic advisor to the Company

\*\*\*\*For illustrative purpose only. Deltas vary by province/territory depending on the availability/size of provincial tax credits. Deltas may change from time to time in response to public market conditions.

# Buy-Side Benefits

---

- Discounted purchase price

---

- No fees charged to market participants

---

- Non-competitive to existing broker relationships

---

- Less dilutive for existing shareholders

---

- Tax Authority Governance: 100% of capital raised must be spent on exploration/development expenses

---

- Benefits Canadian charities

---




“

I have a preference for safe geopolitical jurisdictions and Canada has been a particular focus. On several occasions, I've worked through PearTree's charity flow-through offering because your investment format creates a win-win for me and the issuer.

**Ralph R. Aldis**  
CFA, Portfolio Manager,  
U.S. Global Investors

# Issuer Benefits

- Client mandates range from exploration-stage companies to producers
- Canadian Natural Resources expertise allows us to identify emerging opportunities
- Our relationships include some of the largest international resource portfolio managers
- Track record of working with strategic investors
- Equity new issue price at a premium to market
- Less dilution
- No fees

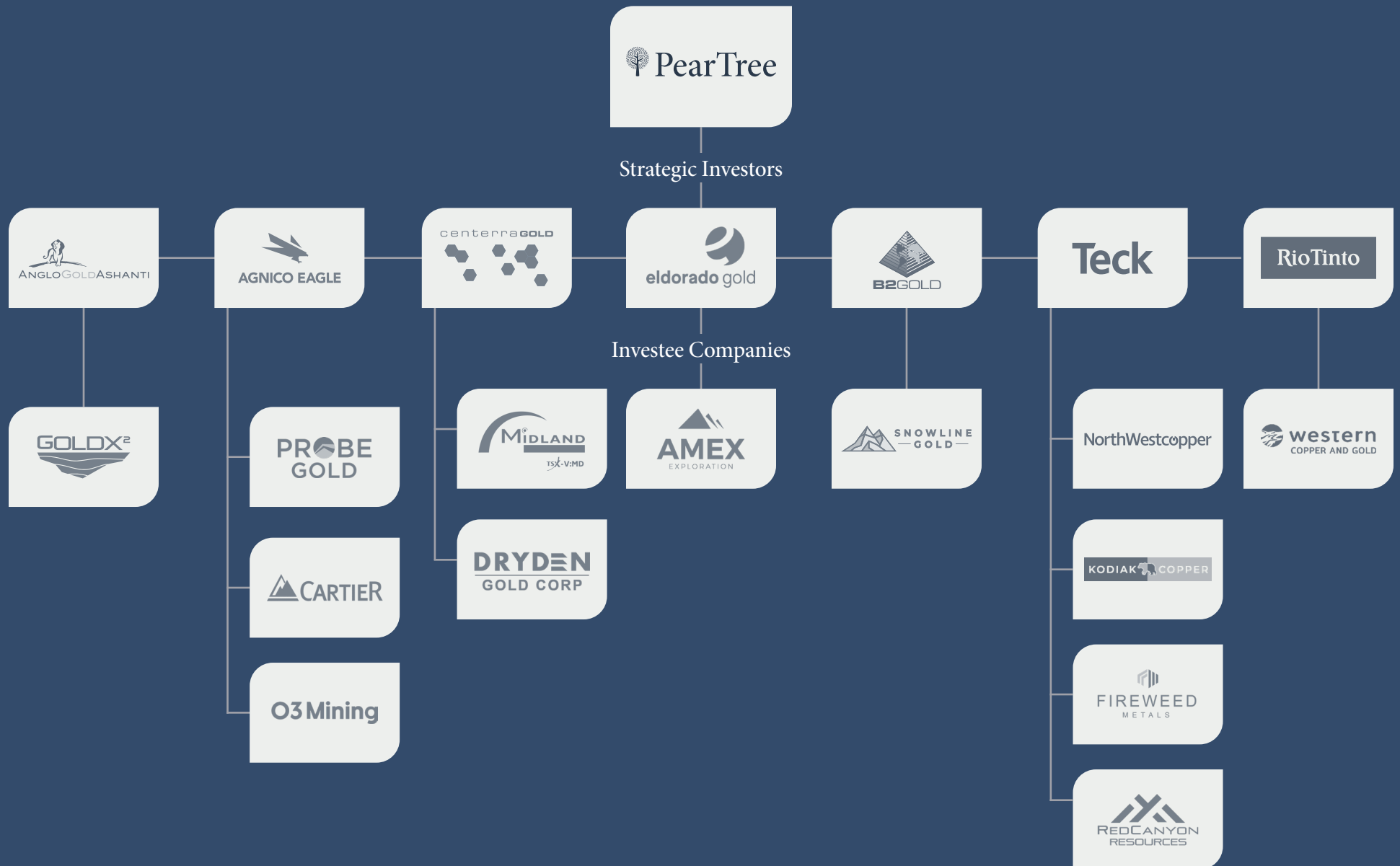


With over \$400M in exploration financings completed, PearTree is a reliable, dependable and trusted partner.

**John Burzynski**

Executive Chairman, Osisko Metals,  
& former CEO, Osisko Mining

# Strategic Investments Facilitated by PearTree





## **SEABRIDGE GOLD**

“

Over the past decade, PearTree has been a steadfast, dependable and trusted source for capital, advice and hands-on assistance. PearTree’s team is unique; possessing a broad combination of convergent skill sets wrapped in an open and collaborative culture which has been helpful to us in making Seabridge a world-class gold, copper and silver Canadian success story.

**Rudi Fronk** CEO,  
**Chris Reynolds** CFO,  
Seabridge Gold

# PearTree Representative Transactions

## Quebec **QC**

- IAMGOLD Corp.
- Amex Exploration Inc.
- PMET Resources Inc.
- Q2 Metals Corp..
- Troilus Gold Corp.
- Radisson Mining Resources Inc.
- Azimut Exploration Inc.
- Walbridge Mining Company Corp.
- Winsome Resources Ltd.
- Li-FT Power Ltd.
- Cygnus Gold Ltd.
- Stelmine Canada Ltd.
- Auriginal Mining Corp.
- Niobay Metals Inc.
- Cartier Resources Inc.
- Maple Gold Mines Ltd.
- Midland Exploration Inc.
- Vior Inc.
- Perseverance Metals Inc.
- Fury Gold Mines Ltd.
- Abitibi Metals Corp.

## British Columbia **BC**

- Osisko Development Corp.
- NorthIsle Copper and Gold Inc.
- Scottie Resources Corp.
- Westhaven Gold Corp.
- Seabridge Gold Inc.
- Tudor Gold Corp.
- Cassiar Gold Corp.
- Kodiak Copper Corp.
- TDG Gold Corp.
- Eskay Mining Corp.
- Talisker Resources Ltd.
- Kingfisher Metals Corp.
- Surge Copper Corp.
- Northwest Copper Corp.
- Canagold Resources Ltd.
- Pacific Ridge Exploration Ltd.
- Goliath Resources Ltd.
- Dolly Varden Silver Corp.

## Ontario **ON**

- Alamos Gold Inc.
- McEwen Inc.
- Gold X2 Mining Inc.
- GFG Resources Inc.
- STLLR Gold Inc.
- Canada Nickel Company Ltd.
- NexGold Mining Corp.
- Mayfair Gold Corp.
- Great Bear Resources Ltd.
- Aston Minerals Ltd.
- Magna Mining Inc.
- Dryden Gold Corp.

## Yukon **YT**

- Snowline Gold Corp.
- Sitka Gold Corp.
- Strategic Metals Ltd.
- Banyan Gold Corp.
- Rockhaven Resources Ltd.
- Western Copper and Gold Corp.
- Fireweed Metals Corp.
- Metallic Minerals Corp.
- Cascadia Minerals Ltd.
- Silver North Resources Ltd.
- Selkirk Metals Corp.
- Trifecta Gold Ltd.
- Trailbreaker Resources Ltd.

## Newfoundland and Labrador **NL**

- Firefly Metals Ltd.
- New Found Gold Corp.
- Canterra Minerals Corp.
- AuMEGA Ltd.
- Magna Terra Minerals Inc.
- Labrador Gold Corp.
- NexGold Mining Inc.
- Big Ridge Gold Corp.
- Benton Resources Corp.
- Pirate Gold Corp.

## Saskatchewan **SK**

- Denison Mines Corp.
- NexGen Energy Ltd.
- Azincourt Energy Corp.
- 92 Energy Ltd.
- Valor Resources
- Basin Uranium Corp.
- F3 Uranium Corp.
- Fathom Nickel Inc.
- Refined Energy Corp.
- Infini Resources Ltd.
- Ramp Metals Inc.
- Cosa Energy Corp.
- Hatchet Uranium Corp.
- Foran Mining Corp.

## Manitoba **MB**

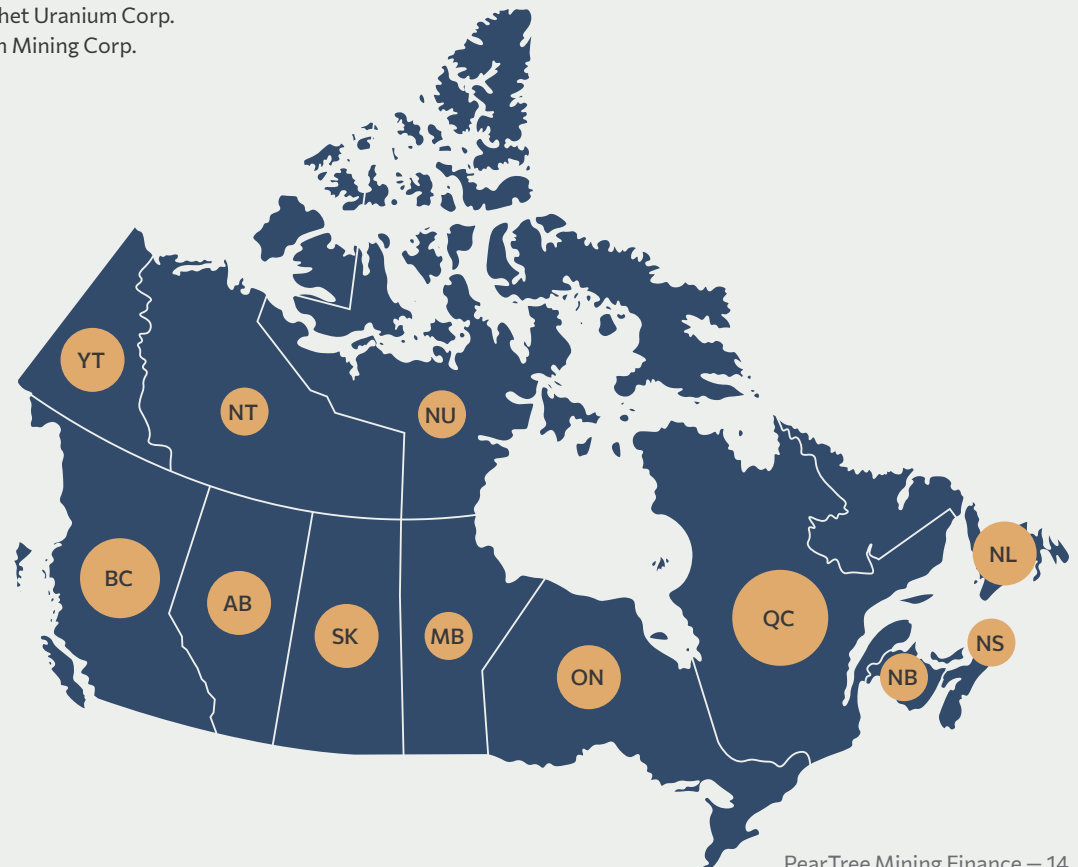
- McEwen Inc.
- Visionary Copper and Gold Mines
- Yamana Gold Inc.
- Grid Metals Corp.
- American West Metals Ltd.
- 1911 Gold Corp.

## New Brunswick **NB**

- Visionary Copper and Gold Mines
- Great Atlantic Resources Corp

## Northwest Territories **NT**

- Seabridge Gold Inc.
- Gold Terra Resources Corp.
- Li-FT Power Ltd.





# Boost Your Charitable Giving

Learn more about flow-through share donations so you can increase and accelerate your charitable giving at a lower after-tax cost. PearTree offers a unique and proven format and we are proud to support important causes across Canada.

Find out more at [peartreecanada.com](http://peartreecanada.com)



# Our Team

---



**Lisa Davis, LL.B, ICD.D**

CEO

---

+1 416.322.2299  
lisa.davis@peartreecanada.com



**Ron Bernbaum, LL.B**

Founder

---

+1 416.322.2288  
ron.bernbaum@peartreecanada.com



**Jesse Pearlstein**

Managing Director,  
Head of PearTree Securities

---

+1 416.652.4767  
jesse.pearlstein@peartreecanada.com



**Ricky Chan, CPA, CA, CFA**

Co-head,  
Mining

---

+1 416.322.2298  
ricky.chan@peartreecanada.com



**Gary J. Baschuk, B.Sc.**

Co-head,  
Mining, & Senior Geologist

---

+1 416.322.2297  
gary.baschuk@peartreecanada.com



**Sean Kim, JD, MBA**

Senior Associate,  
Legal Counsel

---

+1 416.322.2296  
sean.kim@peartreecanada.com



**Jordan Romano**

Associate,  
Legal Counsel

---

+1 647.801.5673  
jordan.romano@peartreecanada.com



“

Par son accompagnement 100% clé en main, PearTree agit comme levier philanthropique auprès des donateurs de la Fondation du CHUM, leur donnant ainsi les moyens de faire des dons exemplaires. Cette collaboration contribue directement à l'amélioration des soins offerts aux patients québécois traités au CHUM.

Through its 100% turnkey support, PearTree acts as a philanthropic lever for donors to the Fondation du CHUM, thus giving them the means to make exemplary donations. This collaboration contributes directly to improving the care offered to Quebec patients treated at the CHUM.

**Véronique Salibur**

Directrice conseil, dons majeurs et planifiés  
CHUM Foundation



PearTree Canada  
110 Eglinton Ave. West, Suite 400  
Toronto, Ontario, Canada, M4R 1A3

[www.peartreecanada.com](http://www.peartreecanada.com)

---

This document is for general information purposes only. While the information herein is collected and compiled with care, neither PearTree Securities Inc. nor any of its affiliated companies represents, warrants or guarantees the accuracy or the completeness of the information. You agree not to rely on the information contained herein for any legal, accounting, tax, investment, business, financial or other purpose.