

**Quarterly Report for period ending:****September 30, 2009****(in thousands of dollars except for securities and per share amounts)****Financial Highlights**

- The results are based upon the Fair Value and Equity Accounting methods of accounting for its investments.
- **Net Asset Value Per Share** as at September 30, 2009 was **\$2.39 (basic)** as compared to **\$1.33 (basic)** as at December 31, 2008. "NAV Per Share" is a non-GAAP measure defined as shareholders' equity divided by total number of common shares outstanding. The term NAV Per Share does not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. We believe that the measure provides information useful to our shareholders in understanding our performance, facilitates the comparison of the quarterly and year-end results of our ongoing operations and provides a meaningful measure to evaluate our business relative to that of our peers.
- **Realized losses on disposal of investments** in the third quarter of 2009 were \$5,405 while **Realized losses on disposal of investments** for the nine months ended September 30, 2009 totaled \$32,087.
- **Unrealized gains** on our investment portfolio resulting from write-up to market value and reversal of prior periods' unrealized losses totaled \$74,210 for Q3. **Unrealized gains** on our investment portfolio totaled \$201,222 for the nine months ended September 30, 2009.
- **Gain on disposal of equity accounted investment** was \$370 for the three and nine months ended September 30, 2009.
- **Income from equity accounted investments** was \$295 for the quarter ended September 30, 2009. **Loss from equity accounted investments** was \$39 for the nine months ended September 30, 2009.
- **Net investment gains** for the third quarter of fiscal 2009 were \$69,470 while **Net investment gains** for the nine months ended September 30, 2009 totaled \$169,466.
- **Net income** for the third quarter of fiscal 2009 was \$63,847 or \$0.48 per share (basic) while **Net income** for the nine months ended September 30, 2009 was \$137,099 or \$1.04 per share (basic).

**Investment Highlights**

- The fair value of the investments held by the Company as at September 30, 2009 increased by 124.9% to \$301,253 as compared to \$133,969 at the end of last year. The cost base of the Company's portfolio was \$564,116 as at September 30, 2009, as compared to \$599,918 as at December 31, 2008. As such, the cost of investments exceeded fair value by \$262,863 as at September 30, 2009 versus \$465,949 as at December 31, 2008, a 43.6% improvement. The improvement arose primarily from the unrealized gains of \$201,222 during the nine months ended September 30, 2009 due to an increase in fair value of the Company's investments and reversals of previously recognized unrealized losses. During the quarter ended September 30, 2009, the Company had unrealized gains of \$74,210.
- The total number of investments held by the Company and the allocation of investments by sector remained relatively constant from December 31, 2008. As at September 30, 2009, 363 out of 408, or 88.9%, of the investments were in the resource sector. As at September 30, 2009, \$283,645 (94.2%) of the fair value of the investments was in resource companies as compared to \$117,905 (88.0%) as at December 31, 2008.

### Financial Summary

For a complete financial report, visit [www.pinetreecapital.com](http://www.pinetreecapital.com)

All numbers are in thousands, except for per share amounts.

Operating Results	Three months ended September 30,		Nine months ended September 30,	
	2009	2008	2009	2008
Gains/(losses) on disposal of investments, net	\$ (5,405)	\$ 5,194	\$ (32,087)	\$ (1,585)
Unrealized gains (losses) on investments, net	74,210	(257,634)	201,222	(318,829)
Gain on disposal of equity accounted investment	370	-	370	-
Income /(losses) from equity accounted investments	295	(3,769)	(39)	(3,987)
Net investment gains (losses)	69,470	(256,209)	169,466	(324,401)
Net income (loss) for the period	63,847	(210,853)	137,099	(262,484)
<b>Earnings (loss) per common share – basic</b>	<b>0.48</b>	<b>(1.63)</b>	<b>1.04</b>	<b>(2.21)</b>
<b>Earnings (loss) per common share – diluted</b>	<b>0.48</b>	<b>(1.63)</b>	<b>1.04</b>	<b>(2.21)</b>

Consolidated Balance Sheet Highlights	September 30, 2009	December 31, 2008
Investments, at fair value	\$ 301,253	\$ 133,969
Equity accounted investments	1,988	3,567
Total assets	326,772	201,398
Total liabilities	10,137	27,188
Share capital, warrants and broker warrants and contributed surplus	363,109	357,783
Deficit	(46,474)	(183,573)
<b>Net asset value per share – Basic</b>	<b>\$ 2.39</b>	<b>\$ 1.33</b>
<b>Net asset value per share – Diluted</b>	<b>\$ 1.93</b>	<b>\$ 1.09</b>

Investments consist of the following:

Sectors:	June 30, 2009		December 31, 2008	
	Cost	Fair Value	Cost	Fair Value
Resources:				
Precious metals	\$ 168,343	\$ 136,943	\$ 186,891	\$ 50,540
Uranium	135,387	50,126	147,117	26,953
Base metals	142,103	48,663	157,577	26,688
Oil & gas	47,787	22,391	40,052	10,066
Potash, Lithium and rare earths	22,245	25,522	10,220	3,658
Technology and other	21,193	7,509	28,999	8,205
Biotechnology	10,377	4,851	13,352	5,493
Energy related technology	16,681	5,248	15,710	2,366
<b>Total investments</b>	<b>\$ 564,116</b>	<b>\$ 301,253</b>	<b>\$ 599,918</b>	<b>\$ 133,969</b>

**Pinetree's common shares trade on the Toronto Stock Exchange (TSX)  
under the symbol "PNP".**

Outstanding Shares (TSX: "PNP") (as at Sept 30, 2009)	<b>132,258,852 common shares</b>
52 week trading range (ending Sept 30, 2009)	<b>\$0.38 - \$2.85 (closing price)</b>
Outstanding Warrants (TSX: "PNP.WT")	<b>5,000,000 warrants Exercisable at \$15.00 per share expiring April 16, 2012</b>
Outstanding Warrants (TSX: "PNP.WT.A")	<b>6,875,000 warrants Exercisable at \$6.50 per share expiring October 23, 2012</b>
Outstanding Warrants (TSX: "PNP.WT.B")	<b>8,638,650 warrants Exercisable at \$3.50 per share expiring July 11, 2013</b>
Fiscal Year End	<b>December</b>
Financial Information	<b>For detailed financial information, visit <a href="http://www.pinetreecapital.com/investors/financials/">www.pinetreecapital.com/investors/financials/</a></b>
Auditors	<b>Ernst &amp; Young, LLP, Toronto, Canada</b>
Registrar and Transfer Agent	<b>Equity Transfer &amp; Trust Company, Toronto, Canada</b>
Investor Relations	<b>Larry Goldberg, C.A. Executive Vice President &amp; Chief Financial Officer email: <a href="mailto:ir@pinetreecapital.com">ir@pinetreecapital.com</a></b>
Head Office	<b>The Exchange Tower Suite 2500, 130 King Street West Toronto, Canada M5X 1A9 Telephone: 416.941.9600 Facsimile: 416.941.1090 E-mail: <a href="mailto:info@pinetreecapital.com">info@pinetreecapital.com</a> Website: <a href="http://www.pinetreecapital.com">www.pinetreecapital.com</a></b>
<b>Board of Directors</b>	
Marshall Auerback	<b>Independent Businessman, London, United Kingdom</b>
Gerry Feldman, CA	<b>Partner, Schwartz Levitsky Feldman, LLP, Toronto, Canada</b>
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Peter Harder	<b>Senior Policy Advisor, Fraser Milner, Casgrain, LLP, Toronto, Canada</b>
Bruno Maruzzo, M.B.A, M.A.Sc, PEO	<b>Principial, Technoventure Inc., Toronto, Canada</b>
Dr. Kent Moore	<b>Associate Professor, Department of Physics, University of Toronto, Toronto, Canada</b>
Sheldon Inwentash, C.A.	<b>Chief Executive Officer, Pinetree Capital Ltd., Toronto, Canada</b>
Ronald Perry, C.A.	<b>Principal, Briolijor Corporation, Montreal, Canada</b>