

**Quarterly Report for period ending:  
June 30, 2004**

**Financial Highlights**

- Business combination of Pinetree and Genevest Inc. (“Genevest”) which occurred on June 1, 2004, (the “Amalgamation”) was accounted for as a reverse takeover as the shareholder of Genevest became controlling shareholders of Pinetree after the Amalgamation. Under this form of purchase accounting, Genevest is deemed to have acquired Pinetree and the consolidated financial statements of Pinetree for the six months ended June 30, 2004, include only Genevest’s operating results prior to the Amalgamation and the results of the amalgamated company thereafter. ALL COMPARATIVE FIGURES AND REFERENCES TO THE PRIOR PERIODS ARE THOSE OF GENEVEST.
- Net Asset Value Per Share as at June 30, 2004 was **\$3.73 per share (basic)** and **\$3.13 (diluted)**.
- The results are based upon the Fair Value method of accounting for its investments.
- Realized Gains on disposal of investments for the second quarter of 2004 were \$4,445,808 while Realized Gains on disposal of investments for the first six months of the year totaled \$12,635,922.
- Unrealized Losses on our investment portfolio resulting from write-downs to market value and reversal of prior periods unrealized gains totaled \$19,798,475 for Q2. Unrealized Losses on our investments portfolio totaled \$28,209,319 for the six months ended June 30, 2004.
- Net Investment Losses for the second quarter of fiscal 2004 were \$15,352,667 while Net Investment Losses for the first six months of the year totaled \$15,573,397.
- Net loss before extraordinary gain for the second quarter of fiscal 2004 was \$10,334,488 or \$1.63 per share (basic and diluted). Net loss before extraordinary gain for the six months ended June 30, 2004 totaled \$11,217,359 or \$1.78 per share (basic and diluted).
- Net loss after extraordinary gain for the second quarter of fiscal 2004 was \$9,750,744 or \$1.54 per share (basic and diluted). Net loss after extraordinary gain for the six months ended June 30, 2004 totaled \$10,633,645 or \$1.69 per share (basic and diluted).

**Investment Highlights**

- Realized Gains On Disposal of Investments in the second quarter arose primarily from the disposition of the Company’s holdings in Enghouse Systems Limited, Minefinders Corporation Ltd. and Wheaton River Minerals Ltd. as well as smaller gains on sale of marketable securities.
- Unrealized Losses on our investment in the second quarter of 2004 was comprised primarily of the reversal of unrealized gains in Enghouse Systems Limited, Minefinders Corporation Ltd. and Wheaton River Minerals Ltd.
- The fair value of the Company’s investment portfolio stood at \$69,498,119 at June 30, 2004 versus \$80,016,099 at the end of fiscal year 2003. As at June 30, 2004, the Company held marketable securities with a quoted market value of approximately \$48.3 million (Dec 31, 2003 – \$65.7 million), of which approximately \$43.6 million (Dec 31, 2003 – \$60.3 million) represented investments in mineral resource companies.
- The cost base of the Company’s portfolio was \$57,449,412 as at June 30, 2004 (December 31, 2003 - \$49,865,606). As such, the excess of fair value over cost stood at \$12,048,707 as at June 30, 2004 versus an excess of \$30,150,493 as at December 31, 2003, a decrease of 60%.

### Financial Summary

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

Operating Results (unaudited)	Three months ended June 30,		Six months ended June 30,	
	2004	2003	2004	2003
Realized gains on disposal of investments, net	\$ 4,445,808	\$ 2,352,485	\$ 12,635,922	\$ 2,615,743
Unrealized gains (losses) on investments, net	(19,798,475)	1,280,612	(28,209,319)	(5,880,973)
Income (loss) before extraordinary gain	(10,334,488)	3,833,894	(11,217,359)	(2,877,490)
Net income (loss) for the period	(9,750,774)	3,833,894	(10,633,645)	(2,877,490)
<b>Earnings (loss) per common share – basic and diluted</b>	(1.54)	0.73	(1.69)	(0.55)

Balance Sheet Highlights (unaudited)	June 30, 2004	December 31, 2003
Investments, at fair value	\$ 69,498,119	\$ 80,016,099
Investments, at cost	57,449,412	49,865,606
Cash and cash equivalents	88,930	31,999
Total assets	71,014,308	84,218,415
Total liabilities	20,199,730	32,800,796
Share capital and contributed surplus	19,611,212	9,580,608
Retained earnings	31,203,366	41,837,011
<b>Net asset value per share – Basic</b>	<b>3.73</b>	<b>5.32</b>
<b>Net asset value per share – Diluted</b>	<b>3.13</b>	<b>4.55</b>

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

Outstanding Shares (as at June 30, 2004)	<b>13,610,767 common shares</b>
52 week trading range (ending June 30, 2004)	<b>\$0.70 - \$2.30</b>
Fiscal Year End	<b>December</b>
Financial Information	<b>For detailed financial information, visit <u>Investor Relations: Financial Information</u> at <a href="http://www.pinetreecapital.com">www.pinetreecapital.com</a> or <a href="http://www.sedar.com">www.sedar.com</a></b>
Auditors	<b>Ernst &amp; Young, LLP, Toronto, Ontario, Canada</b>
Legal Counsel	<b>Goodman &amp; Carr, Toronto, Ontario, Canada</b>
Registrar and Transfer Agent	<b>Equity Transfer Services Inc., 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 130 King Street West Suite 2810, P.O. Box 47 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>	
Sheldon Inwentash, C.A.	<b>Chief Executive Officer, Pinetree Capital Corp., Toronto, Canada</b>
Steven Saviuk, C.A.	<b>Chief Executive Officer, Manitex Capital Inc., Montreal, Canada</b>
Ronald Perry, C.A.	<b>Principal, Briolijor Corporation, Montreal, Canada</b>
Bruno Maruzzo, M.B.A, M.A.Sc, PEO	<b>Prinicpal, Technoventure Inc., Toronto, Canada</b>
Dr Joseph Greenberg	<b>Physician (private practice), Toronto, Canada</b>
Dr. Kent Moore	<b>Associate Professor, Department of Physics, University of Toronto, Toronto, Canada</b>
Lynn Factor	<b>Independent Business Woman, Toronto, Canada</b>