

**Quarterly Report for period ending:
June 30, 2005**

Financial Highlights

- The reverse takeover of Pinetree by 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 periods after June 1, 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 PERIODS PRIOR TO JUNE 1, 2004 ARE THOSE OF GENEVEST ONLY.
- Net Asset Value Per Share as at June 30, 2005 was **\$4.25 (basic)** and **\$3.83 (diluted)** as compared to **\$4.16 per share (basic)** and **\$3.65 (diluted)** as at December 31, 2004.
- 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 2005 were \$2,261,188 while Realized gains on disposal of investments for the first six months of the year totaled \$7,296,859.
- Unrealized losses on our investment portfolio resulting from write-downs to market value and reversal of prior periods unrealized gains totaled \$2,238,392 for Q2. Unrealized losses on our investments portfolio totaled \$3,528,135 for the six months ended June 30, 2005.
- Net Investment Gains for the second quarter of fiscal 2005 were \$22,796 while Net Investment Gains for the first six months of the year totaled \$3,768,724.
- Net income for the second quarter of fiscal 2005 was \$420,006 or \$0.03 per share (basic and diluted) while Net income for the first six months of the year was \$2,808,432 or \$0.20 per share (basic and diluted)

Investment Highlights

- The fair value of the Company’s investment portfolio stood at \$84,150,940 at June 30, 2005 versus \$82,426,943 at the end of fiscal year 2004. As at June 30, 2005, the Company held marketable securities with a quoted market value of approximately \$61.5 million (Dec 31, 2004 – \$62.0 million), of which approximately \$52.9 million (Dec 31, 2004 – \$54.8 million) represented investments in mining and oil & gas companies.
- The cost base of the Company’s portfolio was \$69,161,292 as at June 30, 2005 (December 31, 2004 - \$63,004,712). As such, the excess of fair value over cost stood at \$14,989,648 as at June 30, 2005 versus an excess of \$19,422,231 as at December 31, 2004, a decrease of 22.8%.

Financial Summary

For a complete financial report, visit www.pinetreecapital.com

Operating Results (Unaudited)	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
Realized gains on disposal of investments, net	\$ 2,261,188	\$ 4,445,808	\$ 7,296,859	\$ 12,635,922
Unrealized losses on investments, net	(2,238,392)	(19,798,475)	(3,528,135)	(28,209,319)
Net investment gains (losses)	22,796	(15,352,667)	3,768,724	(15,573,397)
Income (loss) before extraordinary gain	420,006	(10,334,488)	2,808,432	(11,217,359)
Net income (loss) for the period	420,006	(9,750,774)	2,808,432	(10,633,645)
Basic and diluted earnings (loss) per common share - before extraordinary gain	0.03	(0.83)	0.20	(0.90)
Basic and diluted earnings (loss) per common share – net income (loss)	0.03	(0.78)	0.20	(0.85)

Balance Sheet Highlights (unaudited)	June 30, 2005	December 31, 2004
Investments, at fair value	\$ 84,150,940	\$ 82,426,943
Investments, at cost	69,161,292	63,004,712
Cash and cash equivalents (bank indebtedness)	(589,958)	94,131
Total assets	84,791,058	83,786,615
Total liabilities	25,544,581	27,465,105
Share capital and contributed surplus	18,586,755	18,470,220
Retained earnings	40,659,722	37,851,290
Net asset value per share – Basic	4.25	4.16
Net asset value per share – Diluted	3.83	3.65

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

Outstanding Shares (as at June 30, 2005)	13,952,405 common shares
52 week trading range (ending June 30, 2005)	\$1.50 - \$2.98
Fiscal Year End	December
Financial Information	For detailed financial information, visit <u>Investor Relations: Financial Information</u> at www.pinetreecapital.com or www.sedar.com
Auditors	Ernst & Young, LLP, Toronto, Canada
Legal Counsel	Goodman & Carr, Toronto, Canada
Registrar and Transfer Agent	Equity Transfer Services Inc., Toronto, Canada
Investor Relations	Larry Goldberg, C.A. Executive Vice President & Chief Financial Officer email: ir@pinetreecapital.com
Head Office	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: info@pinetreecapital.com Website: www.pinetreecapital.com
Board of Directors	
Sheldon Inwentash, C.A.	Chief Executive Officer, Pinetree Capital Corp., Toronto, Canada
Steven Saviuk, C.A.	Chief Executive Officer, Manitex Capital Inc., Montreal, Canada
Ronald Perry, C.A.	Principal, Briolijor Corporation, Montreal, Canada
Bruno Maruzzo, M.B.A, M.A.Sc, PEO	Prinicpal, Technoventure Inc., Toronto, Canada
Dr Joseph Greenberg	Physician (private practice), Toronto, Canada
Dr. Kent Moore	Associate Professor, Department of Physics, University of Toronto, Toronto, Canada
Lynn Factor	Independent Business Woman, Toronto, Canada