

**Quarterly Report for period ending:
December 31, 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 shareholders 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 December 31, 2005 was **\$7.46 (basic)** and **\$6.83 (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 fourth quarter of 2005 were \$7,078,957. For the year ended December 31, 2005 realized gains on disposal of investments totaled \$18,219,425.
- **Unrealized gains** on our investment portfolio resulting from the write-up to market value and reversal of prior periods unrealized gains totaled \$31,337,141 for Q4 of 2005. Unrealized gains on our investment portfolio totaled \$53,150,534 for the full year ended December 31, 2005.
- **Net investment gains** for Q4 of fiscal 2005 were \$38,416,098 while Net Investment Gains for the year ended December 31, 2005 totaled \$71,369,959.
- **Net income** for the fourth quarter of fiscal 2005 was \$26,075,780 or \$1.81 per share (basic) while Net income for the year ended December 31, 2005 was \$51,685,497 or \$3.69 per share (basic).

Investment Highlights

- The fair value of the Company’s investment portfolio stood at \$176,142,271 at December 31, 2005 versus \$82,426,943 at the end of fiscal year 2004, an increase of 113%. As at December 31, 2005, the Company held investments with a total fair value of \$123.2 million (Dec 31, 2004 – \$55.1 million) in resource companies.
- The cost base of the Company’s portfolio was \$107,615,176 as at December 31, 2005 (December 31, 2004 - \$63,004,712). As such, the excess of fair value over cost stood at \$68,527,095 as at December 31, 2005 versus an excess of \$19,422,231 as at December 31, 2004, an increase of 252.8%.

Financial Summary

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

Operating Results (unaudited)	Three months ended December 31,		Twelve months ended December 31,	
	2005	2004	2005	2004
Realized gains on disposal of investments, net	\$ 7,078,957	\$ 674,903	\$ 18,219,425	\$ 13,392,332
Unrealized gains (losses) on investments, net	31,337,141	6,943,486	53,150,534	(19,918,440)
Net investment gains (losses)	38,416,098	7,618,389	71,369,959	(6,526,108)
Income (loss) before extraordinary gain	26,075,780	6,456,763	51,686,497	(4,740,633)
Net income (loss) for the period	26,075,780	6,456,763	51,686,497	(3,985,721)
Basic earnings (loss) per common share - before and after extraordinary gain	1.81	0.47	3.69	(0.37)
Diluted earnings (loss) per common share - before and after extraordinary gain	1.65	0.47	3.43	(0.31)

Balance Sheet Highlights (audited)	December 31, 2005	December 31, 2004
Investments, at fair value	\$ 176,142,271	\$ 82,426,943
Investments, at cost	107,615,176	63,004,712
Cash and cash equivalents (bank indebtedness)	(2,317,947)	94,131
Total assets	176,337,752	83,786,615
Total liabilities	65,552,286	27,465,105
Share capital and contributed surplus	27,341,450	18,470,220
Retained earnings	83,444,016	37,851,290
Net asset value per share – Basic	7.46	4.16
Net asset value per share – Diluted	6.83	3.65

Investments consist of the following:

Sectors:	December 31, 2005		December 31, 2004	
	Cost	Fair Value	Cost	Fair Value
Resources:				
Uranium/coal	\$ 19,036,306	\$ 28,936,824	\$ 7,366,600	\$ 13,338,954
Oil & gas	22,653,304	40,792,946	8,098,786	9,163,490
Precious metals	28,638,580	38,238,604	23,800,320	29,187,664
Base metals	11,418,937	15,230,760	3,749,979	3,445,340
Biotechnology	6,974,403	5,937,810	6,380,290	6,699,904
Energy related technology	4,335,273	18,749,307	4,586,491	6,116,262
Technology and other	14,558,373	28,256,020	9,022,246	14,475,329
Total investments	\$ 107,615,176	\$ 176,142,271	\$ 63,004,712	\$ 82,426,943

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

Outstanding Shares (as at Dec 31, 2005)	14,850,850 common shares
52 week trading range (ending Dec 31, 2005)	\$2.00 - \$6.94
Fiscal Year End	December
Financial Information	For detailed financial information, visit www.pinetreecapital.com/financial.asp
Auditors	Ernst & Young, LLP, Toronto, Canada
Legal Counsel	Goodman & Carr, LLP, 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
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Board of Directors	
Sheldon Inwentash, C.A.	Chief Executive Officer, Pinetree Capital Ltd., 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