

**Quarterly Report for period ending:
March 31, 2006**

Financial Highlights

- **Net Asset Value Per Share** as at March 31, 2006 was **\$11.41 (basic)** as compared to **\$7.46 (basic)** as at December 31, 2005.
- The results are based upon the Fair Value method of accounting for its investments.
- **Realized gains on disposal of investments** for the first quarter of 2006 were \$19,890,175.
- **Unrealized gains** on our investment portfolio resulting from the write-up to market value and reversal of prior periods unrealized gains totaled \$78,607,878 for Q1 of 2006.
- **Net investment gains** for Q1 of fiscal 2006 were \$98,498,053.
- **Net income** for the first quarter of fiscal 2006 was \$66,353,360 or \$4.27 per share (basic).

Investment Highlights

- As at March 31, 2006, the Company held investments with a Fair Market Value of \$301,963,106 as compared to \$176,142,271 at the end of last year, a 71.4% increase. As at March 31, 2006, \$235,418,121 of the investments (December 31, 2005 – \$122,575,784) were in resource companies.
- The cost base of the Company's portfolio was \$154,687,763 as at March 31, 2006 as compared to \$107,615,176 as at December 31, 2005. As such, the excess of fair value over cost stood at \$147,275,343 as at March 31, 2006 versus an excess of \$68,527,095 as at December 31, 2005, an increase of 114.9%.

Financial Summary

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

Operating Results (unaudited)	Three months ended March 31,	
	2006	2005
Realized gains on disposal of investments, net	\$ 19,890,175	\$ 5,035,671
Unrealized gains (losses) on investments, net	78,607,878	(1,289,743)
Net investment gains	98,498,053	3,745,928
Net income for the period	66,353,360	2,388,426
Basic earnings per common share	4.27	0.17
Diluted earnings per common share	4.00	0.17

Balance Sheet Highlights (unaudited)	March 31, 2006	December 31, 2005
Investments, at fair value	\$ 301,963,106	\$ 176,142,271
Investments, at cost	154,687,763	107,615,176
Cash and cash equivalents (bank indebtedness)	603,219	(2,317,947)
Total assets	303,225,345	176,337,752
Total liabilities	91,807,795	65,552,286
Share capital and contributed surplus	61,620,174	27,341,450
Retained earnings	149,797,376	83,444,016
Net asset value per share – Basic	11.41	7.46
Net asset value per share – Diluted	10.19	6.83

Investments consist of the following:

Sectors:	March 31, 2006		December 31, 2005	
	Cost	Fair Value	Cost	Fair Value
Resources:				
Uranium/coal	\$ 30,355,675	\$ 65,039,789	\$ 19,036,306	\$ 28,936,824
Oil & gas	37,414,397	72,936,640	22,029,954	40,169,596
Precious metals	45,417,794	78,154,959	28,638,580	38,238,604
Base metals	14,012,879	19,286,733	11,418,937	15,230,760
Biotechnology	6,896,515	7,575,387	6,974,403	5,937,810
Energy related technology	6,082,219	25,655,389	4,958,623	19,372,657
Technology and other	14,508,284	33,314,209	14,558,373	28,256,020
Total investments	\$ 154,687,763	\$ 301,963,106	\$ 107,615,176	\$ 176,142,271

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

Outstanding Shares (as at March 31, 2006)	18,531,550 common shares
52 week trading range (ending March 31, 2006)	\$2.00 - \$17.75
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
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 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