

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

Financial Highlights

- On July 31, 2006, the Company effected a two-for-one stock split and paid a stock dividend of one common share for every share owned at the close of business on July 19, 2006.
ALL FIGURES AND COMPARATIVE FIGURES AND REFERENCES TO PRIOR PERIODS REFLECT THE STOCK SPLIT.
- **Net Asset Value Per Share** as at December 31, 2006 was **\$8.47 (basic)** as compared to **\$3.73 (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 fourth quarter of 2006 were \$40,330,157 while **Realized gains on disposal of investments** for the year totaled \$94,251,399.
- **Unrealized gains** on our investment portfolio resulting from write-ups to market value and reversal of prior periods unrealized gains totaled \$116,092,746 for Q4. **Unrealized gains** on our investments portfolio totaled \$196,956,314 for the year ended December 31, 2006.
- **Net investment gains** for the fourth quarter of fiscal 2006 were \$156,422,903 while **Net investment gains** for the year ended December 31, 2006 totaled \$291,207,713.
- **Net income** for the fourth quarter of fiscal 2006 was \$97,707,547 or \$2.25 per share (basic) while **Net income** for the year was \$183,127,553 or \$4.63 per share (basic).

Investment Highlights

- As at December 31, 2006, the Company held investments with a Fair Market Value of \$552,376,814 as compared to \$176,142,271 at the end of last year, a 213.6% increase. As at December 31, 2006, \$479,698,606 (86.8%) of the investments (December 31, 2005 – \$122,575,784 (69.6%)) were in resource companies.
- The fair value of the Company's portfolio increased to \$552,376,814 from \$176,142,271 as at December 31, 2005. The cost base of the Company's portfolio was \$290,068,820 as at December 31, 2006 as compared to \$107,615,176 as at December 31, 2005. As such, the excess of fair value over cost stood at \$262,307,994 as at December 31, 2006 versus an excess of \$68,527,095 as at December 31, 2005, an increase of 282.8%.

Financial Summary

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

Operating Results	Three months ended December 31, (Unaudited)		Year ended December 31, (Audited)	
	2006	2005	2006	2005
Gains on disposal of investments, net	\$ 40,330,157	\$ 7,078,957	\$ 94,251,399	\$ 18,219,425
Unrealized gains on investments, net	116,092,746	31,337,141	196,956,314	53,150,534
Net investment gains	156,422,903	38,416,098	291,207,713	71,369,959
Net income for the period	97,707,547	26,075,780	183,127,553	51,686,497
Earnings per common share – basic	2.25	0.91	4.63	1.85
Earnings per common share - diluted	2.11	0.82	4.36	1.71

Balance Sheet Highlights	December 31, 2006	December 31, 2005
Investments, at fair value	\$ 552,376,814	\$ 176,142,271
Investments, at cost	290,068,820	107,615,176
Cash and cash equivalents (bank indebtedness)	175,407	(2,317,947)
Total assets	553,827,914	176,337,752
Total liabilities	185,997,483	65,552,286
Share capital and contributed surplus	103,749,846	27,341,450
Retained earnings	264,080,585	83,444,016
Net asset value per share – Basic	8.47	3.73
Net asset value per share – Diluted	7.93	3.42

Investments consist of the following:

Sectors:	December 31, 2006		December 31, 2005	
	Cost	Fair Value	Cost	Fair Value
Resources:				
Uranium	\$ 82,162,536	\$ 187,881,198	\$ 19,036,306	\$ 28,936,824
Oil & gas	52,036,379	77,847,632	22,029,954	40,169,596
Precious metals	94,392,217	179,075,956	28,638,580	38,238,604
Base metals	23,804,192	34,893,820	11,418,937	15,230,760
Biotechnology	11,099,279	10,958,129	6,974,403	5,937,810
Energy related technology	6,438,047	20,283,901	4,958,623	19,372,657
Technology and other	20,136,170	41,436,178	14,558,373	28,256,020
Total investments	\$ 290,068,820	\$ 552,376,814	\$ 107,615,176	\$ 176,142,271

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

Effective March 19, 2007, Pinetree became a member of the S&P/TSX Composite Index.

Outstanding Shares (as at Dec 31, 2006) **43,451,856 common shares (reflects two-for-one stock split on July 19, 2006)**
52 week trading range (ending Dec 31, 2006) **\$3.10 - \$20.40**

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 & Trust Company, Toronto, Canada**
Investor Relations **Larry Goldberg, C.A.
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Board of Directors

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