

Quarterly Report for period ending:**December 31, 2007****(in thousands of dollars except for securities and per share amounts)****Financial Highlights**

- The Company effected a two-for-one stock split by way of a stock dividend of one common share for every share owned at the close of business on April 5, 2007.

ALL FIGURES AND COMPARATIVE FIGURES AND REFERENCES TO PRIOR PERIODS REFLECT THE STOCK SPLIT.

- The results are based upon the Fair Value method of accounting for its investments.
- **Net Asset Value Per Share** as at December 31, 2007 was **\$4.20 (basic)** as compared to **\$4.24 (basic)** as at December 31, 2006. "NAV per share" is a non-GAAP measure defined as shareholders' equity divided by total number of common shares outstanding. The term NAV per share does not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. We believe that the measure provides information useful to our shareholders in understanding our performance, facilitates the comparison of the quarterly and year-end results of our ongoing operations and provides a meaningful measure to evaluate our business relative to that of our peers.
- **Realized gains on disposal of investments** for the fourth quarter of 2007 were \$20,305 while **Realized gains on disposal of investments** for the year ended December 31, 2007 totaled \$190,838.
- **Unrealized losses** on our investment portfolio resulting from write-downs to market value and reversal of prior years' unrealized gains totaled \$13,915 for Q4. **Unrealized losses** on our investment portfolio totaled \$288,369 for the year ended December 31, 2007.
- **Income from equity accounted investment** was \$5,548 for the year ended December 31, 2007.
- **Net investment gains** for the fourth quarter of fiscal 2007 were \$11,938 while **Net investment losses** for the year ended December 31, 2007 totaled \$91,983.
- **Net loss** for the fourth quarter of fiscal 2007 was \$2,214 or \$0.02 per share (basic) while **Net loss** for the year ended December 31, 2007 was \$91,605 or \$0.94 per share (basic).

Investment Highlights

- As at December 31, 2007, the Company held investments with a fair value of \$592,039 as compared to \$530,445 at the end of last year, an 11.6% increase. The cost base of the Company's portfolio was \$639,960 as at December 31, 2007 as compared to \$290,069 as at December 31, 2006. As such, the cost exceeded fair value by \$47,921 as at December 31, 2007 versus an excess of fair value over cost of \$240,376 as at December 31, 2006. The decrease arose from two sources: the Company realized significant gains in the year of \$190,838; and recorded unrealized losses in the same period of \$288,369.
- The Company continues to focus on acquisitions of investments in the resource sector. As at December 31, 2007, 432 out of 487, or 88.7%, of the investments were in the resource sector. During the quarter, the Company increased its net number of resource company investments by 24. As at December 31, 2007, \$544,838 (89.1%) of the fair value of the investments were in resource companies as compared to \$463,717 (87.6%) as at September 30, 2007 and \$479,699 (86.8%) as at December 31, 2006.

Financial Summary

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

All numbers are in thousands, except for per share amounts.

Operating Results (Unaudited)	Three months ended December 31,		Year ended December 31,	
	2007	2006	2007	2006
Gains (losses) on disposal of investments, net	\$ 20,305	\$ 40,330	\$ 190,838	\$ 94,251
Unrealized gains (losses) on investments, net	(13,915)	103,288	(288,369)	184,152
Income from equity accounted investment	5,548	12,932	5,548	12,932
Net investment gains (losses)	11,938	156,550	(91,983)	291,335
Net income (loss) for the period	(2,214)	97,707	(91,605)	183,127
Earnings (loss) per common share - basic	(0.02)	1.14	(0.94)	2.31
Earnings (loss) per common share - diluted	(0.02)	1.07	(0.94)	2.18

Balance Sheet Highlights (unaudited)	December 31, 2007	December 31, 2006
Investments, at fair value	\$ 592,039	\$ 530,445
Equity accounted investment	19,555	21,932
Total assets	620,179	553,828
Total liabilities	143,252	185,998
Share capital, warrants/broker warrants and contributed surplus	304,452	103,750
Retained earnings	172,475	264,080
Net asset value per share – Basic	4.20	4.24
Net asset value per share – Diluted	3.61	3.97

Investments consist of the following:

Sectors:	December 31, 2007		September 30, 2007		December 31, 2006	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Resources:						
Precious metals	\$ 236,272	\$ 240,479	\$ 181,176	\$ 193,943	\$ 94,392	\$ 179,076
Uranium	166,662	118,384	152,120	131,674	82,163	187,881
Base metals	84,923	72,874	76,005	69,825	23,804	34,894
Molybdenum	40,652	50,506	33,054	24,780	-	-
Oil & gas	50,315	45,543	42,908	43,495	52,036	77,848
Potash and rare earths	5,954	17,052	-	-	-	-
Technology and other	29,701	23,805	33,926	31,305	20,136	19,504
Energy related technology	11,643	11,996	8,665	8,445	6,438	20,284
Biotechnology	13,838	11,400	13,957	11,452	11,100	10,958
Total investments	\$ 639,960	\$ 592,039	\$ 541,811	\$ 514,919	\$ 290,069	\$ 530,445

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

Outstanding Shares (TSX: "PNP") (as at Dec 31, 2007)	113,632,032 common shares (reflects two-for-one stock split on July 19, 2006 and a two-for-one stock split on April 5, 2007)
52 week trading range (ending Dec 31, 2007)	\$3.75 - \$15.15 (closing price)
Outstanding Warrants (TSX: "PNP.WT")	5,000,000 warrants Exercisable at \$15.00 per share expiring April 15, 2012
Outstanding Warrants (TSX: "PNP.WT.A")	6,875,000 warrants Exercisable at \$6.50 per share expiring October 23, 2012
Fiscal Year End	December
Financial Information	For detailed financial information, visit www.pinetreecapital.com/financial.asp
Auditors	Ernst & Young, LLP, Toronto, Canada
Legal Counsel	Cassels Brock & Blackwell, LLP
Registrar and Transfer Agent	Equity Transfer & Trust Company, 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 2500, 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	
Andrew Fleming	Senior Partner, Ogilvy Renault, LLP, Toronto, Canada
Bruno Maruzzo, M.B.A, M.A.Sc, PEO	Principial, Technoventure Inc., Toronto, Canada
Dr. Kent Moore	Associate Professor, Department of Physics, University of Toronto, Toronto, Canada
Marshall Auerback	Independent Businessman, London, United Kingdom
Peter Harder	Senior Policy Advisor, Fraser Milner, Casgrain, LLP, Toronto, Canada
Ronald Perry, C.A.	Principal, Briolijor Corporation, Montreal, Canada
Sheldon Inwentash, C.A.	Chief Executive Officer, Pinetree Capital Ltd., Toronto, Canada
Steven Saviuk, C.A.	Chief Executive Officer, Manitex Capital Inc., Montreal, Canada