

**Quarterly Report for period ending:****June 30, 2008****(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 and Equity Accounted method of accounting for its investments.
- **Net Asset Value Per Share** as at June 30, 2008 was **\$3.79 (basic)** as compared to **\$3.72 (basic)** as at March 31, 2008 and **\$4.20 (basic)** as at December 31, 2007. "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 second quarter of 2008 were \$1,211 while **Realized losses on disposal of investments** for the first six months of the year totaled \$6,779.
- **Unrealized gains** on our investment portfolio resulting from write-up to market value and reversal of prior periods unrealized gains totaled \$11,047 for Q2. **Unrealized losses** on our investment portfolio totaled \$61,195 for the six months ended June 30, 2008.
- **Income from equity accounted investment** was \$1,647 for the quarter ended June 30, 2008. **Loss from equity accounted investment** was \$218 for the six months ended June 30, 2008.
- **Net investment gains** for the second quarter of fiscal 2008 were \$13,905 while **Net investment losses** for the first six months of the year totaled \$68,192.
- **Net income** for the second quarter of fiscal 2008 was \$4,774 or \$0.04 per share (basic) while **Net loss** for the first half of the year was \$51,631 or \$0.45 per share (basic).

**Investment Highlights**

- As at June 30, 2008, the Company held investments with a fair value of \$491,712 as compared to \$592,039 at the end of last year, an 16.9% decrease. The cost base of the Company's portfolio was \$601,133 as at June 30, 2008 as compared to \$639,960 as at December 31, 2007. As such, the cost of investments exceeded fair value by \$109,421 as at June 30, 2008 versus \$47,921 as at December 31, 2007. The increase arose primarily from the unrealized losses in the six months ended June 30, 2008 of \$61,195 due to an overall weakening of the closing bid prices of the Company's investments.
- Although the total number of investments held by the Company has decreased, the Company continues to focus on acquisitions of investments in the resource sector. As at June 30, 2008, 373 out of 429, or 86.9%, of the investments were in the resource sector. As at June 30, 2008, \$443,968 (90.3%) of the fair value of the investments were in resource companies as compared to \$486,798 (90.0%) as at March 31, 2008 and \$544,838 (92.0%) as at December 31, 2007.

### Financial Summary

For a complete financial report, visit [www.pinetreecapital.com](http://www.pinetreecapital.com)

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

Operating Results (Unaudited)	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Gains (losses) on disposal of investments, net	\$ 1,211	\$ 76,768	\$ (6,779)	\$ 173,531
Unrealized gains (losses) on investments, net	11,047	(123,714)	(61,195)	(138,415)
Income (loss) from equity accounted investment	1,647	(4,200)	(218)	1,115
Net investment gains (losses)	13,905	(51,146)	(68,192)	36,231
Net income (loss) for the period	4,774	(44,266)	(51,631)	2,914
<b>Earnings (loss) per common share – basic</b>	<b>0.04</b>	<b>(0.47)</b>	<b>(0.45)</b>	<b>0.03</b>
<b>Earnings (loss) per common share - diluted</b>	<b>0.04</b>	<b>(0.47)</b>	<b>(0.45)</b>	<b>0.03</b>

Consolidated Balance Sheet Highlights (unaudited)	June 30, 2008	December 31, 2007
Investments, at fair value	\$ 491,712	\$ 592,039
Equity accounted investment	7,609	19,555
Total assets	521,398	620,179
Total liabilities	89,574	143,252
Share capital, warrants and broker warrants and contributed surplus	310,980	304,452
Retained earnings	120,844	172,475
<b>Net asset value per share – Basic</b>	<b>\$ 3.79</b>	<b>\$ 4.20</b>
<b>Net asset value per share – Diluted</b>	<b>\$ 3.23</b>	<b>\$ 3.61</b>

Investments consist of the following:

Sectors:	June 30, 2008		December 31, 2007	
	Cost	Fair Value	Cost	Fair Value
Resources:				
Precious metals	\$ 193,781	\$ 157,129	\$ 236,272	\$ 240,479
Uranium	142,619	108,610	166,662	118,384
Base metals	122,378	92,422	84,923	72,874
Oil & gas	36,451	38,204	50,315	45,543
Molybdenum	37,651	28,400	40,652	50,506
Potash and rare earths	5,981	19,203	5,954	17,052
Technology and other	32,630	28,064	29,701	23,805
Biotechnology	14,021	11,519	13,838	11,400
Energy related technology	15,621	8,161	11,643	11,996
<b>Total investments</b>	<b>\$ 601,133</b>	<b>\$ 491,712</b>	<b>\$ 639,960</b>	<b>\$ 592,039</b>

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

Outstanding Shares (TSX: "PNP") (as at June 30, 2008)	<b>114,036,688 common shares (reflects two-for-one stock split on April 5, 2007)</b>
52 week trading range (ending June 30, 2008)	<b>\$2.25 - \$11.43 (closing price)</b>
Outstanding Warrants (TSX: "PNP.WT")	<b>5,000,000 warrants Exercisable at \$15.00 per share expiring April 16, 2012</b>
Outstanding Warrants (TSX: "PNP.WT.A")	<b>6,875,000 warrants Exercisable at \$6.50 per share expiring October 23, 2012</b>
Fiscal Year End	<b>December</b>
Financial Information	<b>For detailed financial information, visit <a href="http://www.pinetreecapital.com/financial.asp">www.pinetreecapital.com/financial.asp</a></b>
Auditors	<b>Ernst &amp; Young, LLP, Toronto, Canada</b>
Legal Counsel	<b>Cassels Brock &amp; Blackwell, LLP</b>
Registrar and Transfer Agent	<b>Equity Transfer &amp; Trust Company, Toronto, Canada</b>
Investor Relations	<b>Larry Goldberg, C.A. Executive Vice President &amp; Chief Financial Officer email: <a href="mailto:ir@pinetreecapital.com">ir@pinetreecapital.com</a></b>
Head Office	<b>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: <a href="mailto:info@pinetreecapital.com">info@pinetreecapital.com</a> Website: <a href="http://www.pinetreecapital.com">www.pinetreecapital.com</a></b>
<b>Board of Directors</b>	
Marshall Auerback	<b>Independent Businessman, London, United Kingdom</b>
Andrew Fleming	<b>Senior Partner, Ogilvy Renault, LLP, Toronto, Canada</b>
Peter Harder	<b>Senior Policy Advisor, Fraser Milner, Casgrain, LLP, Toronto, Canada</b>
Alan Hibben, CA, CFA, ICD.D	<b>Principal, Shakerhill Partners Ltd., Toronto, Canada</b>
Bruno Maruzzo, M.B.A., M.A.Sc, PEO	<b>Principial, Technoventure Inc., Toronto, Canada</b>
Dr. Kent Moore	<b>Associate Professor, Department of Physics, University of Toronto, Toronto, Canada</b>
Sheldon Inwentash, C.A.	<b>Chief Executive Officer, Pinetree Capital Ltd., Toronto, Canada</b>
Ronald Perry, C.A.	<b>Principal, Briolijor Corporation, Montreal, Canada</b>