

CORPORATE PROFILE

Pulse Data Inc. ("Pulse" or "the Company") is a Calgary-based, international company specializing in data ownership through acquisition, marketing and information management, with current focus on the energy sector. Through its three operating segments, Pulse Seismic, Terrapoint and Trango, the Company has evolved into an industry leader providing better information faster.

Pulse Seismic is at the forefront of seismic data acquisition, marketing and licensing in Western Canada. Pulse Seismic's library currently consists of approximately 240,000 net kilometres of 2D data and more than 9,200 net square kilometres of 3D data. Revenue is generated through licensing of the data library and through licensing of participation surveys.

With offices in Calgary, Ottawa and Houston, Terrapoint is the largest and most experienced LiDAR (Light Detection and Ranging) data provider in the world. LiDAR is used to produce survey-quality 3D digital elevation models. The use of digital elevation data significantly reduces the cost of project planning and design in a broad array of industries including urban planning, transportation and industrial and resource planning and development. Since its inception in 1998, Terrapoint has worked in many countries around the world providing cost-effective solutions to its clients' needs.

Trango Technologies Inc. ("Trango") has developed an exceptional reputation for providing GIS data management products and services to the North American oil and gas industry. Trango provides the technology that allows clients to better exploit their seismic, well, geological and related data.

Pulse operates prudently using a disciplined approach that capitalizes on its strong financial base, which in turn has provided a solid foundation for growth. By incorporating synergistic products and services into its mix, the Company has positioned itself for continued expansion and diversification in market areas that require better information faster.

On August 8, 2005 Pulse announced that in light of continuing strong data library sales and significant free cash flow, the Company doubled its regular quarterly dividend from \$0.0125 to \$0.025 per common share commencing with the quarterly dividend payable in September 2005.

Pulse trades on the Toronto Stock Exchange under the symbol PSD.

Financial Highlights

(\$000s except per share data)	3 months ended June 30,		6 months ended June 30,		Year ended Dec. 31,
	2005	2004	2005	2004	2004
	(unaudited)		(unaudited)		(audited)
Revenue					
Data library sales	\$ 8,059	\$ 8,400	\$ 13,852	\$ 12,433	\$ 25,611
Participation surveys	\$ 68	\$ –	\$ 5,031	\$ 12,375	\$ 19,979
LiDAR	\$ 2,556	\$ 506	\$ 4,036	\$ 506	\$ 3,886
Trango & other	\$ 437	\$ 172	\$ 735	\$ 429	\$ 1,792
Total revenue	\$ 11,120	\$ 9,078	\$ 23,654	\$ 25,743	\$ 51,268
Amortization of data libraries	\$ 3,996	\$ 3,513	\$ 10,130	\$ 12,741	\$ 22,862
Net earnings	\$ 683	\$ 1,053	\$ 1,407	\$ 4,004	\$ 7,719
Net earnings per share:					
basic and diluted	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.10	\$ 0.18
Funds from operations ⁽¹⁾	\$ 5,167	\$ 5,406	\$ 11,517	\$ 19,484	\$ 36,776
Funds from operations per share ⁽¹⁾ :					
basic	\$ 0.11	\$ 0.13	\$ 0.25	\$ 0.47	\$ 0.84
diluted	\$ 0.11	\$ 0.13	\$ 0.25	\$ 0.46	\$ 0.84
Free cash flow ⁽¹⁾	\$ 5,162	\$ 5,360	\$ 5,415	\$ 2,546	\$ 11,988
Working capital (deficiency)	\$ 5,348	\$ (57)	\$ 5,348	\$ (57)	\$ 3,845
Total assets	\$ 121,635	\$ 104,167	\$ 121,635	\$ 104,167	\$ 108,426
Capital expenditures					
Seismic data purchases	\$ 15,225	\$ –	\$ 15,225	\$ –	\$ 1,295
Participation surveys	\$ 5	\$ 46	\$ 6,102	\$ 16,938	\$ 24,788
Changes to work in progress	\$ 4	\$ 6	\$ 2	\$ (8,366)	\$ (8,436)
Property & equipment additions	\$ 694	\$ 7	\$ 1,125	\$ 36	\$ 574
Total capital expenditures	\$ 15,928	\$ 59	\$ 22,454	\$ 8,608	\$ 18,221
Total long-term debt	\$ 29,475	\$ 19,341	\$ 29,475	\$ 19,341	\$ 16,865
Shareholders' equity	\$ 78,679	\$ 74,381	\$ 78,679	\$ 74,381	\$ 77,507
Weighted average shares outstanding:					
basic	46,078,884	42,664,997	45,927,686	41,516,049	43,646,866
diluted	46,750,196	43,208,065	46,559,971	42,090,640	43,990,061
Shares outstanding at period end	46,219,768	45,568,724	46,219,768	45,568,724	45,774,816

⁽¹⁾These non-GAAP financial measures are defined in the accompanying MD&A.

Seismic Data Library

	3 months ended June 30,		6 months ended June 30,		Year ended Dec. 31,
	2005	2004	2005	2004	2004
2D in net kilometres	239,820	239,013	239,820	239,013	239,288
3D in net square kilometres	9,256	6,080	9,256	6,080	6,522

TO THE SHAREHOLDERS

We are pleased to present the financial and operating results of Pulse for the three and six months ended June 30, 2005.

During the second quarter of 2005, Pulse generated sales from its seismic library of \$8.0 million, bringing total data library sales to a record first half of \$13.8 million at the midpoint of 2005, an 11% increase over the comparable period in 2004.

Pulse is committed to growing its seismic library and this is done through a combination of two methods: conducting participation surveys and purchasing quality assets when the opportunity arises. Pulse did not conduct any participation surveys during the second quarter of 2005, but the Company acquired a significant data base of approximately 2,500 net square kilometres of 3D seismic data and 500 net kilometres of 2D seismic data. This purchase of complementary seismic data increased the Company's 3D seismic library by 40%.

It is important to highlight that the method selected in growing the seismic library will yield significant differences in the Company's financial statements.

When Pulse invests capital in a participation survey that is partially prefunded by a client the prefunded amount is recognized as revenue, and is utilized by Pulse to pay for part of the survey acquisition costs. The result is a capitalized cost consisting of the client's contribution plus the Company's contribution. The recognition of the revenue significantly increases funds from operations and earnings in the period the survey is completed, with an amount capitalized which is equal to the total cost of the program. The capitalization of the total costs of the program results in higher amortization, which reduces earnings in future periods.

When Pulse grows its data library by purchasing seismic data a different earnings outcome results due to the difference in the accounting for the acquisition of the data. The accounting treatment of the purchase price of the data is similar to the portion of capital that the Company contributes to a participation survey (i.e. 20-30% of the capital cost of the initial survey). There is no revenue generated upon acquisition, and no corresponding amount to capitalize. Therefore, earnings and cash income taxes are lower in the period that the data is added to the library, resulting in increased free cash flow. Going forward, the data acquired has a higher potential to generate net earnings compared to the participation survey due to the lower capitalized cost and corresponding lower amortization.

In Pulse's LiDAR business segment, encouraging improvements in sales were generated by Terrapoint during the second quarter of 2005 and, with continued emphasis on improving operational efficiencies and reducing fixed costs and a solid contract backlog position, it is expected to contribute improved financial results through the third and fourth quarters.

On August 8, 2005 Pulse announced the declaration of its ninth consecutive quarterly dividend. Due to continued strength in data library sales and significant free cash flow, Pulse has doubled its quarterly dividend from \$0.0125 to \$0.025 per common share. The dividend will be paid on September 20, 2005 to shareholders of record at the close of business on September 6, 2005. Pulse's Dividend Reinvestment Plan will be available for eligible shareholders for this dividend.

Under Pulse's Dividend Reinvestment and Optional Share Purchase Plan, eligible shareholders may automatically reinvest their dividends in common shares of Pulse at 95% of the current market price. Eligible participants may also purchase additional common shares of Pulse at the current market price, with a minimum of \$2,000 per purchase, and a maximum of \$50,000 per calendar year. In order to participate in the Plan, eligible shareholders must complete and return the required Forms to the Plan Agent, Computershare Trust Company of Canada, by two business days before the dividend record date.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SIX MONTHS ENDED JUNE 30, 2005

The following Management's Discussion and Analysis ("MD&A") for Pulse Data Inc. ("Pulse" or "the Company") has been prepared taking into consideration information available to August 5, 2005 and is supplemental to the consolidated financial statements and related notes contained in this interim report for the six months ended June 30, 2005 and in the Company's 2004 Annual Report. This MD&A for the six months ended June 30, 2005 updates and supplements the MD&A for the year ended December 31, 2004. The unaudited interim consolidated financial statements for the six months ended June 30, 2005 were prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

This MD&A focuses on key statistics from the consolidated financial statements, and pertains to known risks and uncertainties relating to the seismic industry, the LiDAR industry and the software and related services industry. This discussion should not be considered all-inclusive, as it excludes changes that may occur in general economic, political and environmental conditions, as well as oil and natural gas prices, industry activity levels, and the ability of oil and gas companies to raise capital. Additionally, other circumstances may or may not occur which could impact the licensing of seismic data and sales of the other services supplied by the Company.

The Company's continuous disclosure documents provide discussion and analysis of "free cash flow", "funds from operations" and "funds from operations per share". These financial measures do not have standard definitions prescribed by GAAP in Canada and therefore they may not be comparable to similar measures disclosed by other companies. The Company has included these non-GAAP financial measures because they are used by management, investors, analysts and others as measures of the Company's financial performance. The Company's definition of free cash flow is cash available for debt servicing, discretionary capital expenditures and the payment of dividends, and is calculated as funds from operations less participation survey additions to the data library and any monetary data exchanges. The Company's definition of funds from operations is cash flow from operations as prescribed by Canadian GAAP, but excluding the impact of changes in non-cash working capital. Funds from operations per share is defined as funds from operations divided by the weighted average number of shares outstanding for the period.

Certain information contained herein may constitute forward-looking statements under applicable securities laws. Such statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated or implied in the forward-looking statements. Investors are encouraged to review the "Risk Factors" section of the MD&A in the Company's Annual Report for 2004 and Interim Reports for 2005 for a discussion of risks that could affect the Company's operations and financial results. Forward-looking statements are based upon management's assumptions, expectations and estimates at the time that such statements are made. Pulse does not update forward-looking statements should circumstances change or management's assumptions, expectations or estimates change.

Overview

Data library sales increased by 11.4% to \$13.9 million for the six months ended June 30, 2005 compared to \$12.4 million for the first half of 2004.

LiDAR revenues for the second quarter of 2005 were \$2.6 million, a 72.7% increase over \$1.5 million recorded in the first quarter of 2005.

Free cash flow for the first six months of 2005 was \$5.4 million, compared to free cash flow of \$2.5 million reported in the first half of 2004. This significant increase in free cash flow in 2005 compared to 2004 is attributed to higher data library sales in 2005 and lower cash requirements for the participation surveys in 2005.

Pulse had a working capital position of \$5.3 million at June 30, 2005 compared to a slight deficiency at June 30, 2004.

Effective May 2, 2005 Pulse acquired a significant seismic database for \$15.2 million. The acquired database consists of approximately 2,500 net square kilometres of 3D seismic data and 500 net kilometres of 2D seismic data. The new seismic data is complementary to the Company's existing library and increased its 3D data library by 40%.

In addition, Pulse repaid \$5.3 million of long-term debt over the twelve-month period ended June 30, 2005, and restructured its long-term debt facility with its principal lender to include an additional \$15.4 million which was used to purchase the seismic database.

Total revenue, net earnings and funds from operations for the first half of 2005 were lower than the comparable period in 2004 as a result of the lower volume of participation surveys conducted in the first half of 2005 compared to the unusually large volume of participation surveys conducted in the first half of 2004, combined with the impact of the LiDAR segment loss in 2005. In the first half of 2004, Pulse added 738 net square kilometres of 3D data to its library through participation surveys, whereas in the first half of 2005 the Company added 2,734 net square kilometres of 3D seismic data and 500 net kilometres of 2D seismic data through a combination of participation surveys and seismic data purchases. Terrapoint incurred a loss before income taxes of \$1.7 million for the six months ended June 30, 2005 compared to a loss of \$0.6 million for the period from date of acquisition on May 26, 2004 to June 30, 2004.

Net earnings for the six months ended June 30, 2005 were \$1.4 million (\$0.03 per share diluted), compared to \$4.0 million (\$0.10 per share diluted) for the same period in 2004. Funds from operations for the first six months of 2005 were \$11.5 million (\$0.25 per share diluted), compared to \$19.5 million (\$0.46 per share diluted) generated for the same period in 2004. These per share figures are based on the weighted average diluted shares outstanding of 46,559,971 for the first six months of 2005, compared to 42,090,640 for the comparative period in 2004.

Net earnings for the three-month period ended June 30, 2005 were \$683,000 (\$0.01 per share diluted) compared to \$1.1 million (\$0.03 per share diluted) for the same period of 2004. Funds from operations for the second quarter of 2005 of \$5.2 million (\$0.11 per share diluted) were slightly less than the \$5.4 million (\$0.13 per share diluted) generated in the second quarter of 2004. These per share figures are based on the weighted average diluted shares outstanding of 46,750,196 for the second quarter of 2005 compared to 43,208,065 for the second quarter of 2004.

SEGMENT REVIEW

Revenue

For the six months ended June 30 (stated in thousands of dollars)

In 2004, the LiDAR segment includes results from May 26 to June 30.

Business Segment:	2005		2004		% Change
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	
Seismic Data:					
Data library sales	\$ 13,852	59	\$ 12,433	48	11.4
Participation surveys	5,031	21	12,375	48	(59.3)
LiDAR	4,036	17	506	2	697.6
Trango	862	4	351	1	145.6
Corporate and other	(127)	(1)	78	1	(262.8)
Total	\$ 23,654	100	\$ 25,743	100	(8.1)

Earnings (loss) before income taxes

For the six months ended June 30 (stated in thousands of dollars)

In 2004, the LiDAR segment includes results from May 26 to June 30.

Business Segment:	2005	2004	% Change
Seismic Data	\$ 7,166	\$ 10,575	(32.2)
LiDAR	(1,687)	(581)	(190.4)
Trango	(185)	(407)	54.5
Corporate and other	(2,926)	(2,481)	(18.0)
Total	\$ 2,368	\$ 7,106	(66.7)

Revenue

For the three months ended June 30 (stated in thousands of dollars)

In 2004, the LiDAR segment includes results from May 26 to June 30.

Business Segment:	2005		2004		% Change
	Revenue	% of Total Revenue	Revenue	% of Total Revenue	
Seismic Data:					
Data library sales	\$ 8,059	73	\$ 8,400	93	(4.1)
Participation surveys	68	1	-	-	-
LiDAR	2,556	23	506	6	405.1
Trango	463	4	193	2	139.9
Corporate and other	(26)	(1)	(21)	(1)	(23.8)
Total	\$ 11,120	100	\$ 9,078	100	22.5

Earnings (loss) before income taxes

For the three months ended June 30 (stated in thousands of dollars)

In 2004, the LiDAR segment includes results from May 26 to June 30.

Business Segment:	2005	2004	% Change
Seismic Data	\$ 3,203	\$ 3,844	(16.7)
LiDAR	(539)	(581)	7.2
Trango	(67)	(205)	67.3
Corporate and other	(1,454)	(1,479)	0.2
Total	\$ 1,143	\$ 1,579	(27.6)

SEISMIC DATA SEGMENT

Revenue

The seismic data segment contributed 80% of total revenue for the Company in the first half of 2005, and 74% of total revenue for the second quarter of the current year. In 2004, with the Terrapoint acquisition effective May 26, 2004 the seismic data segment contributed 96% of total revenue for the six-month period ended June 30, 2004 and 93% of total revenue for the second quarter. For the six-month period ended June 30, 2005, Pulse recorded seismic revenue of \$18.9 million compared to \$24.8 million for the same period in 2004.

Within the seismic data segment the Company generates two types of revenue: data library sales and participation survey revenue. While participation survey revenue significantly increases funds from operations and earnings in periods of survey completion, the participation survey also results in the capitalization of survey costs, which must be amortized, adding a further charge to earnings in future periods. Data library sales represent licences of seismic data from the existing library of seismic data, which can occur many times over without incurring further costs.

Seismic data segment revenue for the six months ended June 30, 2005 reflects a 23.9% decrease from the comparable six-month period in 2004, includes an 11.4% increase in data library sales for the same period, and a 39.1% increase in data library sales for the second quarter of 2005 compared to the first quarter of 2005. The primary reason for the decrease in total seismic data segment revenue was that Pulse recorded \$5.0 million of participation survey revenue in the first quarter of 2005, compared to \$12.4 million of participation survey revenue in the first quarter of 2004. The 2004 period had a higher than normal level of participation surveys delivered. For the three-month comparative periods ended June 30, 2005 and 2004, the Company had a 4.1% decrease in data library sales in 2005 and a negligible increase of \$68,000 in participation survey revenue.

Amortization

The most significant expense to Pulse is the charge for data library amortization. Seismic amortization expense was \$10.0 million (53.2% of seismic data segment revenue) for the six-month period ended June 30, 2005, compared to \$12.7 million (51.3% of seismic data segment revenue) for the same period in 2004. This decrease in amortization is due primarily to the lower level of participation survey activity in 2005. For the three months ended June 30, 2005, the seismic amortization expense was \$4.0 million (48.6% of seismic data segment revenue) compared to \$3.5 million (41.6% of seismic data segment revenue) for the same period in 2004. Amortization of seismic data is discussed under "Critical Accounting Estimates".

Operating Expenses

Operating expenses for the seismic data segment include items directly related to licensing data. Such items include sales commissions and salaries, salaries for the Quality Inspection and Sales Technicians and mapping costs. For the six months ended June 30, 2005 operating expenses were 11.0% higher than for the six months ended June 30, 2004, an increase similar to the increase in data library sales for these same periods. For the second quarter of 2005, operating expense were 8.5% less than the second quarter of 2004.

Earnings Before Income Taxes ("EBT")

EBT for the seismic data segment decreased 32.2% for the six months ended June 30, 2005 compared to the six months ended June 30, 2004 due primarily to the decrease in participation survey revenue of 59.3%. The data library sales increase was partially offset by the increase in operating costs for the same period. EBT for the second quarter of 2005 was 16.7% lower than for the second quarter of 2004, primarily due to a higher amortization expense for this period from data added to the library through participation surveys and data purchases.

LiDAR SEGMENT

Revenue

LiDAR revenue for the second quarter of 2005 increased 72.7% to \$2.6 million over the first quarter of 2005, to reach a year-to-date total of \$4.0 million. It is not relevant to make comparisons to the three and six-month periods ended June 30, 2004, as the acquisition of the LiDAR business occurred May 26, 2004. The increased second quarter sales results were attributable to an increased marketing effort and improvements in weather that had hampered operations in the first quarter of 2005.

Amortization and Depreciation

Included in amortization expense for the six months ended June 30, 2005 is amortization of the LiDAR data library acquired on the acquisition of Terrapoint of \$88,000. Amortization of LiDAR data is calculated on a straight-line basis over five-years. There have been no additional LiDAR costs capitalized since the acquisition of Terrapoint.

Pulse's consolidated depreciation expense has not historically been a large expense item, but with the addition of Terrapoint's capital equipment, this expense has increased significantly. The depreciation expense in the LiDAR segment for the six months ended June 30, 2005 was \$1.1 million and for the second quarter of 2005 it was \$527,000, compared to \$248,000 from May 26, 2004 to June 30, 2004.

Operating Expenses

Included in Terrapoint's operating expenses are all of the costs associated with generating their LiDAR project revenues. Operating expenses as a percentage of revenue for the second quarter of 2005 decreased to 73.2%, from 91.4% in the first quarter of 2005. This reduction is indicative of the impact of increasing LiDAR revenue combined with a high percentage of fixed operating costs, improvements made to operational efficiencies and cost reductions.

General and Administrative Expenses ("G&A")

For the six months ended June 30, 2005 G&A expenses in the LiDAR segment were \$825,000 or 20.4% of revenue. For the second quarter of 2005, G&A was 15.8% lower than in the first quarter of 2005, and represented 14.7% of revenue. This reduction is the result of a continuing effort to reduce G&A expenses throughout the LiDAR segment.

Research and Development Expenses ("R&D")

The LiDAR segment is the only business segment of Pulse which incurs R&D. The Terrapoint engineering department activity is divided between technical support, maintenance, repair and upgrade of the equipment deployed in day-to-day operations, and research and development directed towards improving performance, reliability, ease of use and technical advancement. The 14.6% increase in R&D in the second quarter of 2005 compared to the first quarter of 2005 resulted from Terrapoint's engineering department spending less time supporting operations and more time on research and development.

Loss Before Income Taxes

For the first six months of 2005, the LiDAR segment contributed a loss before income taxes of \$1.7 million. This loss includes a \$539,000 loss for the second quarter, a significant improvement over the first quarter loss before income taxes of \$1.1 million. Increased sales, better weather, and gains in operational efficiencies, have generated improved results that should continue to improve the LiDAR earnings through the remainder of the year.

TRANGO SEGMENT

Revenue

Revenue for the first half of 2005 increased 145.6% to \$862,000 in 2005 from \$351,000 in 2004. For the second quarter of 2005, the revenue of \$463,000 was an increase of 139.9% from the \$193,000 generated in the second quarter of 2004. These improved results in the second quarter are mainly the result of work completed on major contracts awarded to Trango by three oil and gas companies in the United States in late 2004.

Operating Expenses

For the six months ended June 30, 2005, operating expenses increased 30.3%, from \$707,000 in 2004 to \$921,000 in 2005 which related to a higher revenue level for Trango. For the three months ended June 30, 2005 the operating expenses increased 28.0% compared to the prior year period. Items contributing to the increases in both periods are salaries, consulting costs and travel. Trango's primary operating expense is employment costs relating to the development work to complete contracts.

Loss Before Income Taxes

For the six-month period ended June 30, 2005 the loss before income taxes for Trango was \$185,000, an improvement of 54.5% compared to the loss of \$407,000 for the same period in 2004. The loss in the second quarter of 2005 was \$67,000 compared to a loss of \$205,000 for the same period in 2004. While revenue increases have resulted in higher margins in this segment, the cost of servicing the contracts has to date not resulted in positive earnings before income taxes. However, new products such as Well Manager, Geo-Manager and Trango's browser, which have been developed over the last six months, are being well received by Trango's clients and are expected to add earnings in the future.

CORPORATE AND OTHER SEGMENT

General and Administrative Expenses ("G&A")

The corporate and other segment consists primarily of Pulse's Corporate G&A costs, interest and items such as intercompany eliminations and foreign exchange gains and/or losses. For the six months ended June 2005, G&A expenses were \$2.4 million, a 36.9% increase compared to the \$1.7 million for the same period in 2004. The increased amount of corporate G&A expenses is related to higher stock-based compensation expense, salaries, travel, consulting, investor relations, rent, IT costs, accounting, legal and foreign exchange losses. Many of these increases are related to Pulse's expansion into the United States through Terrapoint and Trango, and the changing regulatory environment for public companies.

Depreciation Expense

Depreciation expense for the six months ended June 30, 2005 increased 21.7% to \$129,000 from \$106,000 and increased 74% for the second quarter of 2005 compared to the second quarter of 2004. These increases reflect the capital additions being made to the technology infrastructure of Pulse.

Interest Expense

Total interest expense for the six months ended June 30, 2005 decreased 51.0% from \$826,000 in 2005 to \$405,000 for the same period in 2004. The 2004 interest included an amount of approximately \$303,000 resulting from an income tax audit reassessment dating back to 1999 for Request Seismic Surveys Ltd. Interest on the RoyNat long-term debt facility decreased by 15.3% in the first half of 2005 compared to the first half of 2004. This reduction in interest expense relates directly to the reduction in the outstanding balance of this facility during the first five months of 2005. With the additional debt undertaken on June 15, 2005 to finance the significant seismic data purchase, the interest expense will increase in the second half of 2005.

CONSOLIDATED PULSE DATA INC.

Income Taxes

The total income tax provision for the first six months of 2005 was \$961,000, reflecting an effective tax rate of 40.6% compared to a total provision of \$3.1 million and an effective tax rate of 43.7% for the same period in 2004. Pulse's effective tax rates in the first six months of 2005 and 2004 were significantly higher than the federal and provincial tax rates of approximately 34% for both years due to the addition of the Large Corporation Tax, non-deductible expenses such as stock option expense, and in 2004, the payment of income taxes resulting from the reassessment of tax returns for Request Seismic Surveys Ltd. relating to taxation years prior to its acquisition by Pulse.

Data Library

Pulse acquires seismic data to grow its data library through two primary methods. The Company conducts participation surveys every year, and also makes data purchases when the opportunity arises to acquire the proprietary rights to complementary seismic data. During the first six months of 2005, Pulse invested \$21.3 million to acquire new seismic data. In the second quarter of 2005, the Company purchased the proprietary rights to approximately 2,500 net square kilometres of 3D seismic data and 500 net kilometres of 2D seismic data, located in the south-central area of Alberta, for \$15.2 million. Additionally, in the first half of 2005 the Company invested \$6.1 million to acquire new data through participation surveys. In comparison, the Company spent \$8.6 million on participation surveys in the first half of 2004. This amount was in addition to \$8.4 million that was recorded at December 31, 2003 as work in progress, relating to the participation survey programs completed in the first quarter of 2004, which was converted to data library additions in 2004 with the delivery of the data in February and March 2004. The total capital expenditures for the participation programs in 2005 related to two 3D participation surveys that were conducted in northern Alberta. The Company acquired a total of 241 square kilometres of 3D data, all of which is 100% owned by Pulse. In the first half of 2004, Pulse added 738 net kilometres of 3D seismic data to its library through participation survey, whereas in the first half of 2005, the Company added 2,734 net square kilometres of 3D seismic data and 500 net kilometres of 2D seismic data through a combination of participation surveys and data purchases. The Company expects that capital expenditures directed to seismic data acquisition in 2005 will be higher than the 2004 level, due to the major seismic data purchase completed during the second quarter of 2005.

Future Tax Liability

The net future income tax liability has decreased from \$6.0 million at December 31, 2004 to \$4.3 million at June 30, 2005 principally due to the utilization of loss carry forwards and resource deductions applied to taxable income. The net future income tax liability of \$4.3 million at June 30, 2005 consists principally of deferred partnership income, and the future tax liability associated with various property and equipment of the Company having a lower tax value than its corresponding accounting value. These liabilities are partially offset by future tax assets of the Company including non-capital loss carry forwards in the Trango and LiDAR business segments.

Liquidity, Capital Resources and Capital Requirements

The working capital position of Pulse at June 30, 2005, including the current portion of long-term debt of \$5.6 million was \$5.3 million, compared to \$3.8 million at December 31, 2004 and a deficiency of \$57,000 at June 30, 2004. The working capital position has improved by 39% compared to the December 31, 2004 position as a result of increased accounts receivable related to the high level of seismic data library and LiDAR sales achieved late in the second quarter, as well as a decrease in accounts payable. The accounts payable balance decreased due to participation surveys that were carried out in the first quarter being fully settled in the second quarter, and no new participation surveys commencing in the second quarter. All working capital covenants with Pulse's lenders have been met throughout each of these periods.

With the continuation of the trend of very strong existing seismic data sales levels, and significantly improved operational procedures and cost structures combined with a solid contract backlog position in Terrapoint and Trango, Pulse management expects that its funds from operations will be sufficient to finance operations, debt servicing, dividends and budgeted capital expenditures for the remainder of 2005. The seismic data library is continually growing through the acquisition of new, principally 3D, data. The ongoing growth in the Company's seismic data library continues to position Pulse to be able to provide valuable seismic data to industry participants into the future. Historical data sales analysis shows that most seismic data retains its value for many years, and with the technological advancements in reprocessing that have been made in recent years, the Company's clients are able to enhance the quality of older data in the library. With the acquisition of Terrapoint, Pulse has added airborne and ground-based LiDAR services to its product offerings, and has begun accessing customers in new industries and markets. As well Trango has demonstrated an ability to develop new products and penetrate new markets in the United States.

Although quarterly results can show significant swings in working capital, Pulse remains liquid. The capital-intensive nature of the seismic business is such that working capital deficiency balances can accumulate during the busy participation survey season, only to be reversed upon delivery of the seismic data to survey participants. In order to limit risk in participation surveys, the Company does not proceed with a participation survey without obtaining minimum prefunding commitments from clients. Because Pulse's largest expense in any given period is the non-cash amortization expense, funds from operations is usually much higher than net earnings.

Pulse also has a \$10 million operating line of credit facility with Scotiabank. Any drawdowns on this facility are repayable on demand and bear interest at the bank's prime lending rate plus 0.25%. This facility was not utilized throughout 2002, 2003, 2004 and we do not anticipate using it in 2005.

Contractual Obligations

There has been one significant change to Pulse's contractual obligations since the 2004 Annual Report. Restructuring of the long-term debt with RoyNat Capital Inc., relating to the purchase of the significant seismic database in June of 2005, has changed the Company's long term debt repayment schedule. The obligations are \$5.6 million due in less than one year, \$11.8 million due in 1 to 3 years and \$12.1 million due in 4 to 5 years.

Free Cash Flow

Free cash flow for the six months ended June 30, 2005 was \$5.4 million compared to free cash flow of \$2.5 million for the six months ended June 30, 2004.

(\$000s)

	Six months ended June 30	
	2005	2004
Funds from operations	\$ 11,517	\$ 19,484
Less:		
Participation survey additions	6,102	16,938
Monetary data exchanges	-	-
Free cash flow	\$ 5,415	\$ 2,546

This significant increase in free cash flow for the first two quarters of 2005 compared to the same period in 2004 is attributed to higher data library sales year to date in 2005 and lower cash requirements for the participation surveys in the first half of 2005. Seismic data purchases are deemed to be discretionary expenditures of capital and as a result do not decrease free cash flow.

Related Party Transactions

The Company holds an approximate 50% undivided interest in certain 2D seismic data totalling 1,765 net kilometres (0.7% of the Company's 2D seismic data library) in which two officers of the Company (the President and the Vice President, Operations) also hold undivided interests. The related parties acquired this data jointly with others prior to Pulse becoming a public company and they have retained their ownership interests. The contract between the parties is for management and licensing of the seismic data to third parties for a success-based fee and only permits payment of revenues to the related parties upon receipt of licensing fees from the third parties. The amount due under these arrangements was \$173,919 at June 30, 2005 (\$171,327 at June 30, 2004).

Critical Accounting Estimates

The capital cost of the seismic data library is amortized on a fixed basis, determined by reference to the estimated timing of the economic return of the library. Additions to the seismic library arise in two distinct ways: (i) participation surveys, and (ii) the purchase of other seismic data. The costs associated with participation surveys are amortized at 35% immediately upon completion of the program, with the remaining costs being amortized on a straight-line basis over a seven-year period commencing at the end of the period of exclusivity, generally six months after such delivery. The costs of purchased seismic data are amortized on a straight-line basis over seven years.

The capital cost of the LiDAR data library is amortized on a straight-line basis over five years. The capital cost of the LiDAR systems and technical equipment, and proprietary software and processes acquired in Terrapoint are amortized on a straight-line basis over a seven-year period.

Share Capital Summary

The Company's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

The following table provides details of the Company's share capital at June 30, 2005, June 30, 2004 and December 31, 2004.

	06/30/05	06/30/04	12/31/04
Weighted average shares outstanding:			
basic	45,927,686	41,516,049	43,646,866
diluted	46,559,971	42,090,640	43,990,061
Shares outstanding at period end	46,219,768	45,568,724	45,774,816
Shares outstanding at July 31, 2005	46,235,767		

At June 30, 2005 there were 3,167,366 stock options outstanding at exercise prices ranging from \$0.96 to \$2.02.

At July 31, 2005 there were 3,163,817 stock options outstanding at exercise prices ranging from \$0.96 to \$2.02.

Financial Summary of Quarterly Results

(\$000s except per share data)

	2005		2004				2003	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Data library revenue	8,059	5,793	8,499	4,679	8,400	4,033	6,861	5,445
Participation survey revenue	68	4,963	7,604	-	-	12,375	-	1,962
LiDAR revenue	2,556	1,480	2,208	1,172	506	-	-	-
Trango revenue	463	399	820	266	193	158	201	299
Corporate & other revenue	(26)	(101)	255	22	(21)	99	49	59
Total revenue	11,120	12,534	19,386	6,139	9,078	16,665	7,111	7,765
Net earnings (loss)	683	724	5,305	(1,590)	1,053	2,951	1,242	866
Per share-basic	0.01	0.02	0.12	(0.04)	0.03	0.07	0.04	0.02
Per share-diluted	0.01	0.02	0.12	(0.04)	0.03	0.07	0.04	0.02

Total revenue on a quarterly basis in Pulse over the past eight quarters has fluctuated significantly. The trend has been one of increasing revenues quarter-over-quarter with larger increases in the fourth quarter of each year. For the first half of 2005, Pulse has attained a record sales level in data library sales. Terrapoint has also achieved a significant increase in revenue in the second quarter of the year, surpassing the first quarter sales by 72.7%.

There is seasonality reflected in the total revenue numbers, particularly relating to participation survey revenues. The historic trend has been to deliver seismic data from the majority of the participation survey programs in the first two quarters of each year. In 2005 two programs were completed and delivered during the first quarter, with no additional participation surveys being carried out in the second quarter. However, we have substantially increased the size of our 3D seismic data library by purchasing 2,500 net square kilometres of 3D seismic data in the second quarter of 2005. Terrapoint also operates at a higher level in the spring and fall compared to the winter and summer, due to the improvement in conditions during "leaf off" periods and when there is a lack of snow cover.

During the past eight fiscal quarters, the fluctuations in earnings have largely been a function of revenue. The quarters with large participation survey revenues are easily identified. There was not a large increase in the weighted average number of shares outstanding over this eight-quarter period, until this year, when the full effect of the 4,497,956 shares issued upon the acquisition of Terrapoint on May 26, 2004 was incorporated. Approximately 1.2 million shares have been issued during 2004 and 2005 upon exercise of stock options. The increased weighted average number of shares outstanding has caused a dilutive impact on earnings per share in 2005.

Risk Factors

Please refer to the Company's 2004 Annual Report for a summary of the business risks relating to Pulse's business and operations.

Additional Information

You may find additional information relating to Pulse, including the Company's Annual Information Form on SEDAR at www.sedar.com.

OUTLOOK

Management and employees are committed and focused on continuing to implement operational efficiencies in Terrapoint. By leveraging off the initial improvements achieved during the second quarter, combined with a solid contract backlog position and the execution of further operational initiatives, the LiDAR segment is expected to contribute improved financial results during the third and fourth quarters of 2005.

Trango has made steady progress penetrating the United States market place and has added several new products to its offering which are expected to add future earnings.

Continuing strong commodity prices have resulted in an expanded level of oil and gas exploration activity by Canadian energy companies leading to an increasing demand for seismic data. By continuing to concentrate on its core business, Pulse remains focused on building a quality seismic data library and generating a solid level of free cash flow in the years ahead.

August 8, 2005



Ken G. MacDonald
President & C.E.O.



Douglas A. Cutts
Vice President Finance & C.F.O

Certain information contained herein may constitute forward-looking statements under applicable securities laws. Such statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated or implied in the forward-looking statements. Investors are encouraged to review the "Risk Factors" section of the Management's Discussion and Analysis in the Company's Annual Report for 2004 and 2005 Interim Reports for a discussion of risks that could affect the Company's operations and financial results. Forward-looking statements are based upon management's assumptions, expectations and estimates at the time that such statements are made. Pulse does not update forward-looking statements should circumstances change or management's assumptions, expectations or expectations change.

INTERIM CONSOLIDATED BALANCE SHEETS

(In thousands of dollars)

	June 30, 2005	December 31, 2004
	(unaudited)	(audited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,983	\$ 3,827
Accounts receivable	14,268	12,832
Prepaid expenses	167	234
Work in progress	1,449	693
	19,867	17,586
Data libraries	86,209	75,010
Property and equipment	14,929	15,042
Investments	432	667
Deferred charges	198	121
	\$ 121,635	\$ 108,426
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,234	\$ 4,466
Deferred revenue	3,314	3,613
Current portion of long-term debt (note 3)	5,594	5,662
Income taxes payable	2,377	-
	14,519	13,741
Long-term debt (note 3)	23,881	11,203
Deferred revenue	250	-
Future income taxes	4,306	5,975
Shareholders' equity:		
Share capital (note 4)	51,108	50,531
Contributed surplus (note 4)	787	449
Retained earnings	26,784	26,527
	78,679	77,507
	\$ 121,635	\$ 108,426

See accompanying notes to interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS

(In thousands of dollars, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
	(unaudited)		(unaudited)	
Revenue	\$ 11,120	\$ 9,078	\$ 23,654	\$ 25,743
Operating expenses:				
Amortization of data libraries	3,996	3,513	10,130	12,741
Operating	3,218	1,744	5,721	2,474
Depreciation and amortization	640	328	1,238	405
	7,854	5,585	17,089	15,620
Gross margin	3,266	3,493	6,565	10,123
General and administrative expenses	1,630	1,350	3,277	2,187
Research and development expenses	274	–	513	–
Interest:				
Long-term debt	243	263	470	555
Other	(24)	301	(63)	275
	219	564	407	830
Earnings before income taxes	1,143	1,579	2,368	7,106
Income taxes:				
Current	852	89	2,630	873
Future (reduction)	(392)	437	(1,669)	2,229
	460	526	961	3,102
Net earnings	\$ 683	\$ 1,053	\$ 1,407	\$ 4,004
Retained earnings, beginning of the period	26,678	23,469	26,527	21,027
Dividend paid	(577)	(570)	(1,150)	(1,079)
Retained earnings, end of the period	\$ 26,784	\$ 23,952	\$ 26,784	\$ 23,952
Earnings per share, basic and diluted	\$ 0.01	\$ 0.03	\$ 0.03	\$ 0.10

See accompanying notes to interim consolidated financial statements.

Interim Consolidated Statements of Cash Flows

(In thousands of dollars)

	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
	(unaudited)		(unaudited)	
Cash provided by (used in):				
Operations:				
Net earnings	\$ 683	\$ 1,053	\$ 1,407	\$ 4,004
Items not involving cash:				
Amortization of data libraries	3,996	3,513	10,130	12,741
Depreciation and amortization	640	328	1,238	405
Unrealized loss on foreign exchange	51	-	64	-
Future income taxes (reduction)	(392)	437	(1,669)	2,229
Stock-based compensation	199	69	357	93
Other	(10)	6	(10)	12
Funds from operations	5,167	5,406	11,517	19,484
Net change in non-cash working capital items related to operations	(4,700)	(3,987)	1	(6,646)
Increase (decrease) in non-current deferred revenue	250	(14)	250	(55)
	717	1,405	11,768	12,783
Financing:				
Long-term debt	15,439	-	15,439	-
Repayment of long-term debt	(1,389)	(1,094)	(2,829)	(2,134)
Issue of share capital	558	397	558	592
Dividends paid	(1,150)	(570)	(1,150)	(1,079)
	13,458	(1,267)	12,018	(2,621)
Investing:				
Additions to data libraries through participation surveys	(5)	(46)	(6,102)	(16,938)
Seismic data purchases	(15,225)	-	(15,225)	-
(Increase) decrease in participation surveys in progress	(4)	(6)	(2)	8,366
Decrease in investments	-	498	235	285
Additions to property and equipment	(694)	(7)	(1,125)	(36)
Business acquisition (note 2)	-	(2,142)	-	(2,142)
Net change in non-cash working capital items related to investing	728	670	(1,411)	(7,166)
	(15,200)	(1,033)	(23,630)	(17,631)
Increase (decrease) in cash position	(1,025)	(895)	156	(7,469)
Cash and cash equivalents, beginning of period	5,008	2,444	3,827	9,018
Cash and cash equivalents, end of period	\$ 3,983	\$ 1,549	\$ 3,983	\$ 1,549

During the three and six month periods ended June 30, 2005 the Corporation paid interest of \$232,000 (2004-\$563,000) and \$415,000 (2004-\$746,000), respectively. During the three and six month periods ended June 30, 2005 the Corporation paid income taxes of \$51,000 (2004 - \$611,000) and \$95,700 (2004-\$2,393,000), respectively.

See accompanying notes to consolidated financial statements.

Notes to Interim Consolidated Financial Statements

Information as of June 30, 2005 and for the three and six months ended June 30, 2005 and 2004 is unaudited
(Tabular amounts in thousands of dollars, except per share data)

Pulse Data Inc. ("the Corporation") is incorporated under the Canada Business Corporations Act and is a publicly traded company on the Toronto Stock Exchange under the symbol PSD.

1. Basis of presentation and significant accounting policies:

These interim consolidated financial statements should be read in conjunction with the Corporation's most recent annual financial statements and notes included in the annual report for the year ended December 31, 2004. These interim financial statements follow the same accounting policies and methods as the most recent annual financial statements. The figures for the six months ended June 30, 2004 reflect certain reclassifications to conform with the presentation adopted in 2005.

The results of operations for the six months ended June 30, 2005 are not necessarily indicative of results to be expected for the entire year ending December 31, 2005. The Corporation records participation survey revenue related to its seismic programs, which are carried out primarily during the winter months. Revenue is recognized upon completion of a program after the related data has been delivered. Therefore, a significant portion of the Corporation's participation revenue is recognized in the winter and spring seasons.

The Corporation's policy with respect to revenue recognition on seismic data sales is to record revenue as and when the seismic data has been delivered. In the case of participation surveys, this occurs when the seismic work, including data processing, is complete and delivery to the customer has occurred. In the case of commitment cards (requiring the subsequent delivery of seismic data), revenue is only recognized when the client has chosen and taken delivery of the data; until then the sales value is recorded as deferred revenue. In the case of LiDAR mapping surveys and services, revenue is recognized on a percentage of completion basis over the term of the agreement as milestones are achieved and delivered. Amounts received in advance of qualifying for recognition are recorded as deferred revenue.

2. Acquisitions:

(a) On June 15, 2005 the Corporation acquired 2,500 square kilometres of 3D seismic data and 530 kilometres of 2D seismic data from an unrelated third party for \$15,225,000 plus GST. The purchase was funded by drawing an additional \$15,439,000 of long-term debt.

(b) On May 25, 2004 the Corporation issued 4,497,956 common shares for all of the issued and outstanding shares of Mosaic Mapping Corporation, now known as Terrapoint, a company with offices in Calgary, Ottawa and Houston. Terrapoint provides technology solutions in the fields of airborne and ground-based LiDAR for geographic information system ("GIS") applications that include oil and gas exploration, infrastructure and land development in North American and international markets. The acquisition was accounted for using the purchase method of accounting with the results of operations included from the date of acquisition. The cost of the net assets acquired, at their estimated fair values, and the consideration paid were as follows:

Net assets acquired:	
Current assets	\$ 1,261
LiDAR data library	805
Property and equipment	15,089
Current liabilities	(3,328)
Long-term debt	(516)
Future income tax liability	(3,522)
	\$ 9,789
Consideration:	
Common shares	\$ 7,647
Cash (including transaction costs of \$388,000)	2,142
	\$ 9,789

3. Long-term debt:

	June 30, 2005	December 31, 2004
Bank term loan, repayable in set monthly installments of \$483,350 per month over 5 years, plus interest at the lender's base rate plus 2.5%, secured by the assets of the Corporation	\$ 28,989	\$ 16,175
Promissory note payable in US funds (\$322,000 US), non-interest bearing, due semi-monthly based on 5% of cash receipts for sale or license of assets purchased from the holder, secured by the purchased assets.	394	500
Promissory note payable in US funds bearing interest at 7%, due in monthly installments of \$28,046 US, secured by assets purchased from the holder.	-	52
Capital lease obligations	92	138
	29,475	16,865
Less current portion	5,594	5,662
	\$ 23,881	\$ 11,203

Future repayments due within each of the next three years are estimated as follows:

2005 (July 1 to December 31, 2005)	\$ 2,562
2006	6,093
2007	5,849
2008	5,800
2009	5,800
2010	3,371
	\$ 29,475

4. Share capital:

(a) Common shares issued:

	Number of Shares	Amount
Balance, December 31, 2004	45,774,816	\$ 50,531
Issued for cash on exercise of stock options, net of cancellations	407,856	487
Issued under dividend reinvestment plan	37,096	71
Transferred from contributed surplus on exercise of stock options	-	19
Balance, June 30, 2005	46,219,768	\$ 51,108

(b) Contributed Surplus:

Balance, December 31, 2004	\$ 449
Stock-based compensation	357
Transferred to share capital on exercise of stock options	(19)
Balance, June 30, 2005	\$ 787

(c) Stock options:

At June 30, 2005 there were 3,167,366 stock options outstanding at exercise prices ranging from \$0.96 to \$2.02 with a weighted average remaining life of 3.8 years. During the six months ended June 30, 2005, 248,500 options were granted with exercise prices ranging from \$1.96 to \$2.02. Compensation expense of \$199,479 and \$357,173 has been recorded for the three and six month periods ended June 30, 2005, respectively, with the corresponding increase in contributed surplus relating to both the options issued in the current period and those issued in the prior year which vested during this period. The per share weighted-average fair value of stock options granted during the current period was \$1.01, (2004-\$0.83) using the Black-Scholes pricing model, with the following assumptions: risk-free rate of 4.25%, (2004-5.5%) expected life of five years and a weighted-average expected volatility of 58% (2004-53%) and assumed dividend rate of \$0.05 per share per year.

The Corporation continues to disclose the pro-forma earnings impact of stock options granted in 2002, which have vested subsequently. If the fair value method had been used, net earnings for the three and six months periods ended June 30, 2005 would have been reduced by \$34,000 and \$68,000, respectively, (2004-\$37,500 and \$76,000, respectively) and earnings per share for the three months and six months ended June 30, 2005 would have been unchanged.

(d) Per share amounts:

The following table summarizes the weighted average common shares used in calculating per share amounts:

	Three months ended June 30,		Six months ended June 30,	
	2005	2004	2005	2004
Weighted average shares outstanding:				
Basic	46,078,884	42,664,997	45,927,686	41,516,049
Diluted	46,750,196	43,208,065	46,559,971	42,090,640

The reconciling items between basic and diluted average common shares outstanding are stock options.

5. Segmented information:

The Corporation reports in four segments: seismic data, LiDAR, Trango, and corporate and other. Under the first segment, the Corporation specializes in acquiring, marketing and licensing non-exclusive seismic data through its general partnership Pulse Seismic. The inventory of seismic data is acquired either by shooting participation surveys or by purchasing existing seismic data libraries. While Pulse Seismic maintains a proprietary interest in the seismic data from all such surveys, the initial participants may be granted exclusive rights for an initial period during which Pulse Seismic cannot license the data to others. Participation survey revenue includes all revenues for licences sold prior to the delivery of the seismic data or the expiry of the exclusive periods, whichever occurs later. Thereafter the data forms part of Pulse Seismic's data library, with subsequent sales categorized as data library revenue. Additionally, Pulse Seismic conducts exclusive seismic programs for clients, for which it earns a project management fee. Pulse does not hold an ownership position in the data shot for these programs and the revenue earned is included in participation survey revenue. All of the foregoing types of revenue are included in the seismic data segment. The second segment the Corporation reports is LiDAR, generating revenue through its wholly owned subsidiaries, Terrapoint Canada Inc. and Terrapoint USA Inc. LiDAR revenue is generated by conducting custom development projects for clients using the process of airborne laser mapping, a method of obtaining three-dimensional data required for the creation of digital terrain models, as well as selling licensed copies of LiDAR data from the proprietary LiDAR data library. The third segment included the operations of Trango, which incorporates the software development carried out for the oil and gas industry by Trango Technologies Inc. The Corporate and Other segment includes foreign exchange losses of \$42,000 and \$29,000 for the six and three months ended June 30, 2005, respectively.

Six months ended	Seismic			Corporate	
June 30, 2005	Data	LiDAR	Trango	and Other	Total
Revenue					
Data library sales	\$ 13,852	\$	\$	\$	\$ 13,852
Participation surveys	5,031				5,031
LiDAR		4,036			4,036
Trango			862		862
Corporate and other				(127)	(127)
Total revenue	18,883	4,036	862	(127)	23,654
Amortization	10,042	88	–	–	10,130
Segment profit (loss), before undernoted	8,841	3,948	862	(127)	13,524
Operating expenses	1,675	3,224	921	(99)	5,721
General and administrative	–	825	88	2,364	3,277
Depreciation	–	1,071	38	129	1,238
Research and development	–	513	–	–	513
Interest expense	–	2	–	405	407
Earnings (loss) before income taxes	\$ 7,166	\$ (1,687)	\$ (185)	\$ (2,926)	\$ 2,368
Total assets	\$ 100,368	\$ 17,440	\$ 1,201	\$ 2,626	\$ 121,635
Capital expenditures	\$ 21,327	\$ 330	\$ 12	\$ 785	\$ 22,454

Six months ended June 30, 2004	Seismic Data	LiDAR	Trango	Corporate and Other	Total
Revenue					
Data library sales	\$ 12,433	\$	\$	\$	\$ 12,433
Participation survey	\$ 12,375				12,375
LiDAR		506			506
Trango			351		351
Corporate and other				78	78
Total revenue	\$ 24,808	\$ 506	\$ 351	\$ 78	\$ 25,743
Amortization	12,724	17	–	–	12,741
Segment profit (loss), before undernoted	12,084	489	351	78	13,002
Operating expenses	1,509	358	707	(100)	2,474
General and administrative	–	460	–	1,727	2,187
Depreciation	–	248	51	106	405
Research and development	–	–	–	–	–
Interest expense	–	4	–	826	830
Earnings (loss) before income taxes	\$ 10,575	\$ (581)	\$ (407)	\$ (2,481)	\$ 7,106
Total assets	\$ 83,486	\$ 17,056	\$ 775	\$ 2,850	\$ 104,167
Capital expenditures	\$ 8,572	\$ –	\$ 17	\$ 19	\$ 8,608

Three months ended June 30, 2005	Seismic Data	LiDAR	Trango	Corporate and Other	Total
Revenue					
Data library sales	\$ 8,059	\$	\$	\$	\$ 8,059
Participation surveys	68				68
LiDAR		2,556			2,556
Trango			463		463
Corporate and other				(26)	(26)
Total revenue	8,127	2,556	463	(26)	(11,120)
Amortization	3,953	43	–	–	3,996
Segment profit (loss), before undernoted	4,174	2,513	463	(26)	7,124
Operating expenses	971	1,872	476	(101)	3,218
General and administrative	–	377	35	1,218	1,630
Depreciation	–	527	19	94	640
Research and development	–	274	–	–	274
Interest expense	–	2	–	217	219
Earnings (loss) before income taxes	\$ 3,203	\$ (539)	\$ (67)	\$ (1,454)	\$ 1,143
Total assets	\$ 100,368	\$ 17,440	\$ 1,201	\$ 2,626	\$ 121,635
Capital expenditures	\$ 15,230	\$ 40	\$ 6	\$ 920	\$ 16,196

Three months ended June 30, 2004	Seismic Data	LiDAR	Trango	Corporate and Other	Total
Revenue					
Data library sales	\$ 8,400	\$	\$	\$	\$ 8,400
Participation surveys	-				-
LiDAR		506			506
Trango			193		193
Corporate and other				(21)	(21)
Total revenue	\$ 8,400	\$ 506	\$ 193	\$ (21)	\$ 9,078
Amortization	3,495	17	-	-	3,512
Segment profit (loss), before undernoted	4,905	489	193	(21)	5,566
Operating expenses	1,061	358	372	(46)	1,745
General and administrative	-	460	-	891	1,351
Depreciation	-	248	26	54	328
Research and development	-	-	-	-	-
Interest expense	-	4	-	559	563
Earnings (loss) before income taxes	\$ 3,844	\$ (581)	\$ (205)	\$ (1,479)	\$ 1,579
Total assets	\$ 83,486	\$ 17,056	\$ 775	\$ 2,850	\$ 104,167
Capital expenditures	\$ 52	\$ -	\$ 7	\$ -	\$ 59

CORPORATE INFORMATION

BOARD OF DIRECTORS

Clark Zentner ^{(1) (3)}
Chairman of the Board
Independent Businessperson
Calgary, Alberta

Daphne Corbett ^{(1) (3)}
Independent Businessperson
Vancouver, British Columbia

Arthur Dumont ^{(2) (3) (4)}
Chairman and Chief Executive
Officer
Technicoil Corporation
Calgary, Alberta

Peter Fuss ⁽²⁾⁽³⁾
Management Consultant
Boca Grande, Florida

Ken MacDonald ⁽⁴⁾
President and Chief Executive
Officer
Pulse Data Inc.
Calgary, Alberta

Graham Weir ^{(1) (3)}
Independent Businessperson
Calgary, Alberta

Don West ^{(2) (3) (4)}
Independent Businessperson
Calgary, Alberta

Notes

(1) Member of Audit Committee

(2) Member of the Compensation Committee

(3) Member of the Corporate Governance
Committee

(4) Member of the Environmental,
Health & Safety Committee

OFFICERS

Ken MacDonald
President and Chief Executive
Officer
Pulse Data Inc.

Douglas Cutts
Vice President, Finance and
Chief Financial Officer
Pulse Data Inc.

Brent Gale
Vice President, Operations and
Chief Operating Officer
Pulse Data Inc.

Deryl Williams
President
Trango Technologies Inc.

Bruce Nelson
President
Terrapoint USA Inc.

James Ferguson
President
Terrapoint Canada Inc.

Paul Mrstik
Vice President, Engineering
Terrapoint Canada Inc.

Norman Hall
Corporate Secretary
Pulse Data Inc.

HEAD OFFICE

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EXTERNAL SERVICES

Auditors
KPMG LLP
Calgary, Alberta

Bankers
Bank of Nova Scotia
Calgary, Alberta

RoyNat Capital Inc.
Calgary, Alberta

Solicitors
Gowling Lafleur Henderson LLP
Calgary, Alberta

Registrar and Transfer Agent
Computershare Trust Company of
Canada
Calgary, Alberta

Stock Exchange Listing
The Toronto Stock Exchange
Trading Symbol: PSD