



Crescent Point Energy Trust (“Crescent Point” or the “Trust”) is pleased to announce its operating and financial results for the three-month period ended March 31, 2004.

The Trust commenced operations as an oil and gas income trust on September 5, 2003. This interim report compares financial and operating results for the Trust for the first quarter of 2004 with those of its predecessor organization, Crescent Point Energy Ltd. and its subsidiaries, for the first quarter of 2003.

The term “units” has been used to identify both the Trust units and exchangeable shares of the Trust issued on or after September 5, 2003 as well as the Class A common shares of the Corporation outstanding prior to the conversion on September 5, 2003. All pre-arrangement comparative share numbers have been adjusted for the consolidation of Class A and Class B shares.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended		
(\$000s except Trust units and per Trust unit amounts)	March 31, 2004	March 31, 2003 ⁽⁴⁾	% Change
Financial			
Production revenue (net of royalties and transportation)	24,627	14,478	70
Financial instruments - realized losses	(2,785)	(1,550)	(80)
Total revenue ⁽¹⁾	21,842	12,928	69
Cash flow from operations	15,509	9,199	69
Per unit (2003 - combined A & B shares)	0.60	0.67	(10)
Per unit - diluted	0.59	0.64	(8)
Net income ⁽²⁾	438	3,259	(87)
Per unit (2003 - combined A & B shares)	0.02	0.24	(92)
Per unit - diluted	0.02	0.23	(91)
Net income before non-cash fair value adjustments ⁽²⁾	4,689	3,259	44
Per unit (2003 - combined A & B shares)	0.18	0.24	(25)
Per unit - diluted	0.18	0.23	(22)
Cash distributions	12,624	-	-
Cash distributions per unit	0.51	-	-
Payout ratio (percent)	86	-	-
Capital expenditures, net ⁽⁵⁾	68,784	30,102	129
Net debt ⁽³⁾	58,069	26,151	122
Trust units outstanding (MM)			
Units (2003 - combined A & B shares)	25.0	13.8	81
Exchangeable Shares	1.6	-	-
Weighted average Trust units outstanding (MM)			
Basic (2003 - combined A & B shares)	26.0	13.7	90
Diluted	26.3	14.3	84

- (1) The total revenue excludes the non-cash unrealized losses of \$6,573,000 relating to the fair value adjustments pursuant to financial instruments.
- (2) Net income (loss) is after non-cash unrealized losses of \$4,251,000 (\$6,573,000 net of future tax recovery of \$2,322,000) relating to fair value adjustments pursuant to financial instruments. Net income before non-cash fair value adjustments does not have any standardized meaning prescribed by Canadian generally accepted accounting principles and therefore may not be comparable with the calculation of similar measures presented by other issuers.
- (3) The net debt is debt net of the working capital deficiency excluding the risk management liability of \$8,913,000 and the deferred financial instrument loss of \$2,340,000.
- (4) All pre-arrangement comparative share numbers have been adjusted for the consolidation of Class A and Class B shares.
- (5) The capital expenditures includes the amounts allocated to property, plant and equipment in respect of acquisitions. The amounts allocated differ from the purchase price of the acquisitions where allocations of the purchase price have been made to goodwill or other assets.

	Three months ended		
	March 31, 2004	March 31, 2003	% Change
Operations			
Average daily production			
Crude oil and NGLs (bbl/d)	5,860	3,490	68
Natural gas (mcf/d)	18,084	5,210	247
Barrels of oil equivalent (boe/d)	8,874	4,359	104
Average product prices			
Crude oil and NGLs (\$/bbl)	40.24	44.93	(10)
Financial instruments - realized losses (\$/bbl)	(5.15)	(4.93)	(4)
	35.09	40.00	(12)
Natural gas (\$/mcf)	6.09	8.08	(25)
Financial instruments - realized losses (\$/mcf)	0.01	-	-
	6.10	8.08	(25)
Wells drilled			
Gross	14	5	180
Net	12.6	4.6	174
Success rate (percent)	86	100	(14)

CORPORATE HIGHLIGHTS

- Crescent Point completed an \$82 million acquisition of Capio Petroleum Corporation ("Capio") on January 6, 2004.
- On January 6, 2004, Crescent Point closed a bought deal equity financing of 5,150,000 units at \$12.75 per Trust unit for gross proceeds of \$65.7 million.
- The Trust drilled 14 wells (12.6 net) in the first quarter, achieving an overall success rate of 86 percent.
- The Capio acquisition, along with Crescent Point's continued drilling success increased average daily production from 4,359 boe/d in the first quarter of 2003 to 8,874 boe/d in the first quarter of 2004.
- The Trust's operating costs decreased 14 percent on a per boe basis from \$6.41 in the first quarter of 2003 to \$5.49 in the first quarter of 2004.
- Crescent Point's cash flow from operations increased by 69 percent from \$9.2 million in the first quarter of 2003 to \$15.6 million in the first quarter of 2004.
- Crescent Point's net income before non-cash fair value adjustments increased by 44 percent from \$3.3 million in the first quarter of 2003 to \$4.7 million in the first quarter of 2004.
- As a result of Crescent Point's continued successful development drilling results, and the strategic acquisition of Capio, the Trust's credit facility with its primary lender has been increased to \$105 million, of which only \$58.1 million was utilized at the end of the first quarter. The Trust's net debt to annualized cash flows as at March 31, 2004 was 0.94 times.
- Crescent Point maintained consistent monthly distributions of \$0.17 per unit, totaling \$0.51 per unit for the first quarter of 2004 and representing a payout ratio of 86 percent.
- On March 26, 2004, Crescent Point announced the appointment of Gerald A. Romanzin, C.A. of Calgary, to its Board of Directors.

OPERATIONS REVIEW

During the first quarter of 2004, Crescent Point continued to aggressively implement management's business strategy of creating sustainable value-added growth in reserves, production and cash flow through acquiring, exploiting and developing high-quality, long-life, light oil and natural gas properties.

CAPIO ACQUISITION

On January 6, 2004, Crescent Point closed the acquisition of Capio Petroleum Corporation for total consideration of \$82 million. The Capio assets are 100-percent operated with high working interests averaging greater than 80 percent. The assets are focused in three major properties in northeast British Columbia and southern/central Alberta.

Crescent Point's management believes this strategic, high quality natural gas and light oil acquisition complements the Trust's existing large oil and gas in place properties, and provides additional drilling inventory with significant production and reserves growth potential. Crescent Point's development drilling inventory has now increased to more than 100 low risk infill development locations, providing more than 5,000 boe/d of risked production additions.

DRILLING RESULTS

Crescent Point drilled a total of 14 wells (12.6 net) in the first quarter of 2004, achieving an overall success rate of 86 percent. The following table summarizes the Trust's drilling results for the first three months of 2004:

	Gas	Oil	D&A	Service	Standing	Total	Net	% Success
Southeast Saskatchewan	0	6	0	1	0	7	6.3	100%
South/Central Alberta	0	0	0	0	0	0	0	-
Northeast British Columbia and West Peace River Arch, Alberta	5	0	0	0	2	7	6.3	71%
Total	5	6	0	1	2	14	12.6	86%

Southeast Saskatchewan

Crescent Point continued to focus on drilling and exploitation opportunities in the southern plains of Saskatchewan. Through the strategic acquisition of Tappit in 2003, the Trust consolidated interests in the Manor/Queensdale area of southeast Saskatchewan and added a new core area at Tatagwa. As a result, Crescent Point gained operatorship and high working interests in four long life, light oil pools at Manor, Queensdale, Wildwood and Tatagwa. These four pools have total combined original oil-in-place of more than 270 million barrels.

In the first quarter of 2004, Crescent Point drilled six (5.3 net) successful horizontal development wells and one service well in Manor, Queensdale and Glen Ewen. The Trust has identified an additional 39 locations remaining in inventory with up to 10 development wells planned for 2004.

South/Central Alberta

Crescent Point continued to exploit its existing properties at Little Bow, Sounding Lake and John Lake. The Trust is currently evaluating the additional land and seismic acquired at John Lake to follow-up on the drilling success of 2003. Ongoing compression optimization and workovers have continued to add production and value to the John Lake property. Optimization work has continued at Little Bow with water injection having commenced at two wells that were drilled in order to enhance the water injection scheme. One recompletion was conducted in the Sounding Lake area that added 60 bbl/d.

Northeast British Columbia

In the first quarter, a seven well development drilling program commenced in the Doe area of northeast British Columbia. To date, five wells have been placed on stream, while two are standing pending breakup and evaluation.

OUTLOOK

Crescent Point has a high quality, predictable production, reserve and cash flow base focused in six principal properties. Each of these properties is characterized by high working interests, is operated by Crescent Point and has significant development upside.

During the first quarter of 2004, Crescent Point continued to expand the Trust's development drilling inventory. Crescent Point now has an inventory of more than 100 low risk development locations in its core areas, which will provide for sustainable production volumes and distributions through the remainder of 2004 and beyond.

The Trust has already seen positive results from the water flood project at Tatagwa in southeast Saskatchewan. With minimum capital expenditures since acquiring the property, the Trust has been able to steadily increase production due to the initial water flood response to date.

Crescent Point continues to lock in commodity price swaps for 2004 and 2005 at attractive crude oil pricing parameters to reduce risk on distribution levels.

Crescent Point has an excellent balance sheet with debt of less than 1.0 times current annualized cash flow and approximately \$47 million of unutilized credit lines.

For the remainder of 2004, Crescent Point is projecting to maintain its 8,750 boe/d of production with capital expenditures of approximately \$16 million for drilling, land and seismic. Estimates for 2004 remain as follows:

Production	
Oil and NGLs (bbl/d)	5,750
Natural gas (mcf/d)	18,000
boe/d (6:1)	8,750
Cash flow (\$000s)	\$60,000
Cash flow per outstanding unit (\$)	\$2.40
Capital expenditures (\$000s) (1)	\$16,000
Wells drilled, net	22-24
Pricing	
Crude oil (\$US/bbl) - WTI	\$29.50
(\$Cdn/bbl) – Corporate	\$38.00
Natural gas (\$US/mcf) AECO	\$4.75
(\$Cdn/mcf) Corporate	\$5.75
Exchange rate (\$Cdn/\$US)	0.75

(1) The projection of capital expenditures excludes acquisitions, which are separately considered and evaluated.

ON BEHALF OF THE BOARD OF DIRECTORS

Scott Saxberg
President and Chief Operating Officer
May 11, 2004

MANAGEMENT'S DISCUSSION & ANALYSIS

Management's discussion and analysis ("MD&A") is dated May 7, 2004 and should be read in conjunction with the unaudited interim consolidated financial statements for the period ended March 31, 2004 and the audited consolidated financial statements and MD&A for the year ended December 31, 2003 for a full understanding of the financial position and results of operations of Crescent Point Energy Trust ("Crescent Point" or the "Trust"). All amounts are expressed in Canadian dollars. A barrel of oil equivalent ("boe") is based on a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.

Throughout this discussion and analysis, we use the terms cash flow from operations, cash flow per unit and cash flow per unit - diluted. These terms do not have any standardized meaning as prescribed by Canadian generally accepted accounting principles and therefore they may not be comparable with the calculation of similar measures presented by other issuers. These measures have been described and presented in order to provide unitholders and potential investors with additional information regarding the Trust's liquidity and its ability to generate funds to finance its operations. Management utilizes cash flow from operations as a key measure to assess the ability of the Trust to finance operating activities and capital expenditures. All references to cash flow from operations throughout this report are based on cash flow from operating activities before changes in non-cash working capital.

Forward-Looking Information

This disclosure contains certain forward-looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond Crescent Point's control, including: the impact of general economic conditions; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; increased competition, and the lack of availability of qualified personnel or management; fluctuations in commodity prices, foreign exchange or interest rates; stock market volatility and obtaining required approvals of regulatory authorities. In addition there are numerous risks and uncertainties associated with oil and gas operations and the evaluation of oil and gas reserves. Therefore Crescent Point's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking estimates and if such actual results, performance or achievements transpire or occur, or if any of them do so, there can be no certainty as to what benefits Crescent Point will derive therefrom.

All tabular amounts are in thousands, except per unit and volume amounts.

Plan of Arrangement

During 2003, Crescent Point Energy Ltd. ("Crescent Point Energy" or the "Corporation") completed a strategic merger whereby it acquired Tappit Resources Ltd. ("Tappit") and converted into an oil and gas income trust through a Plan of Arrangement (the "Plan"). In addition, the shareholders of Crescent Point Energy and Tappit received shares in StarPoint Energy Ltd. ("StarPoint"), a separate, publicly listed, exploration and production company. The special meeting of the shareholders approving the Plan was held on August 21, 2003. The effective date for the transaction was September 5, 2003.

The Plan involving conversion to the Trust has been accounted for as a continuity of interests. Accordingly, the consolidated financial statements for the first quarter of 2004 reflect the financial position, results of operations and cash flows as if the Trust had always carried on the business formerly carried on by Crescent Point Energy. The comparative information for the three months ended March 31, 2003 reflects the results of operations and cash flows of Crescent Point Energy and its subsidiaries.

The term "units" has been used to identify both the Trust units and exchangeable shares of the Trust issued on or after September 5, 2003 as well as the Class A common shares of the Corporation outstanding prior to the conversion on September 5, 2003. All pre-arrangement comparative share numbers have been adjusted for the consolidation of Class A and Class B shares.

Results of Operations

Production

Average daily production increased by 104 percent to an average of 8,874 boe/d in the first quarter of 2004 compared to 4,359 boe/d in the first quarter of 2003. This increase was comprised of a 68 percent increase in average crude oil and natural gas liquids ("NGLs") production to 5,860 bbl/d in the first quarter of 2004 from 3,490 bbl/d in the first quarter of 2003, and a 247 percent increase in average natural gas production to 18,084 mcf/d in the first quarter of 2004 from 5,210 mcf/d in the first quarter of 2003. The overall increase in production is mainly attributable to the acquisition of Tappit on September 5, 2003, the acquisition of Capio on January 6, 2004, the acquisition of additional working interests in certain properties, and the optimization of existing properties.

Daily Production Volumes	Three months ended March 31,		
	2004	2003	% Change
Crude oil and NGLs (bbl/d)	5,860	3,490	68%
Natural gas (mcf/d)	18,084	5,210	247%
Total (boe/d)	8,874	4,359	104%
Crude oil and NGLs	66%	80%	(14%)
Natural gas	34%	20%	14%
Total	100%	100%	-

Marketing and Prices

Crescent Point's average realized crude oil and NGL price (before realized financial instruments) decreased by ten percent in the first quarter of 2004 to \$40.24 per bbl from \$44.93 per bbl in the first quarter of 2003. Benchmark Edmonton light sweet oil averaged \$45.60 per bbl for the first quarter of 2004, 11 percent lower than the first quarter of 2003 average of \$51.10 per bbl.

The average realized natural gas price (before realized financial instruments) decreased 25 percent in the first quarter of 2004 to \$6.09 per mcf from \$8.08 per mcf in the first quarter of 2003. In comparison, the AECO monthly index decreased 17 percent to \$6.61 per mcf in the first quarter of 2004 from \$7.92 per mcf in the first quarter of 2003.

Average Realized Prices	Three months ended March 31,		
	2004	2003	% Change
Crude oil and NGLs ⁽¹⁾ – before realized financial instruments (\$/bbl)	40.24	44.93	(10%)
Realized financial instruments income (loss) (\$/bbl)	(5.15)	(4.93)	(4%)
Crude oil and NGLs – after realized financial instruments (\$/bbl)	35.09	40.00	(12%)
Natural gas ⁽¹⁾ – before realized financial instruments (\$/mcf)	6.09	8.08	(25%)
Realized financial instruments income (loss) (\$/mcf)	0.01	-	-
Natural gas- after realized financial instruments (\$/mcf)	6.10	8.08	(25%)
Total – before realized financial instruments (\$/boe) ⁽¹⁾	38.98	45.64	(15%)
Realized financial instruments income (loss) (\$/boe)	(3.37)	(3.95)	15%
Total – after realized financial instruments (\$/boe)	35.61	41.69	(15%)

Benchmark Pricing	Three months ended March 31,		
	2004	2003	% Change
Edmonton light sweet oil (Cdn\$/bbl)	45.60	51.10	(11%)
WTI crude oil (US\$/bbl)	35.15	33.86	4%
AECO natural gas (Cdn\$/mcf)	6.61	7.92	(17%)
Exchange rate – Cdn\$/US\$	0.76	0.66	15%

(1) The realized prices are no longer reported net of transportation charges. See the transportation expense discussion below.

Risk Management and Hedging Activities

Management of cash flow variability comprises an integral component of Crescent Point's business strategy. Changing business conditions are monitored regularly and reviewed with the Board of Directors to establish hedging guidelines used by management in carrying out the Trust's strategic hedging program. The risk exposure inherent in movements in the price of crude oil and natural gas, fluctuations in the US/Cdn dollar exchange rate and interest rate movements on long term debt are all proactively managed by Crescent Point through the use of forward sale financial transactions with reputable financially sound counterparties. The Trust considers these contracts to be effective economic hedges.

In the first quarter of 2004, the Trust hedged an average of 3,176 bbl/d of crude oil at Cdn\$36.61 WTI, as compared to 1,531 bbl/d at Cdn\$38.26 WTI in the first quarter of 2003. The Trust also locked in a costless collar for 1,000 GJ/day of natural gas for the period January 1, 2004 to March 31, 2004 at a collar price of Cdn\$6.50/GJ – Cdn\$9.25/GJ. In the first quarter of 2003 there were no natural gas hedges in place. These hedges resulted in a realized financial instrument loss of \$2,725,000 or \$3.37 per boe in the first quarter of 2004, as compared to a loss of \$1,550,000 or \$3.95 per boe in the first quarter of 2003. The hedges decreased the first quarter of 2004 crude oil and NGLs price by \$5.15 per bbl, and increased the first quarter of 2004 realized natural gas price by \$0.01 per mcf. This compares to hedges in the first quarter of 2003 which decreased the realized crude oil and NGLs price by \$4.93 per bbl.

Effective January 1, 2004, the Trust adopted the new CICA accounting guideline AcG-13 "Hedging Relationships." Financial instruments that are not designated as hedges under the guideline are recorded on the balance sheet as either an asset or liability with the change in fair value recognized in net earnings. Although the Trust believes all of its hedges are economic hedges, the organization has elected not to designate any of its risk management activities as accounting hedges under AcG-13, and accordingly has marked-to-market its financial instruments.

The impact on the Trust's financial statements as at January 1, 2004, is the recognition of a risk management liability and a deferred financial instrument loss of \$3,209,000. The deferred financial instrument loss will be recognized in earnings as the contracts expire. The unrealized loss on financial instruments of \$6,573,000 for the quarter ended March 31, 2004 is comprised of a loss of \$5,979,000 for crude oil, a loss of \$462,000 for natural gas, and a loss of \$132,000 for interest rate swaps. See Note 10 to the consolidated financial statements for additional information regarding the accounting for financial instruments and risk management.

Looking forward into 2004, the Trust continues to strategically hedge up to 50 percent of its after royalty volumes at prices above long term commodity and budget levels. Presently the Trust has hedged 2,957 bbl/d of crude oil at a price of approximately Cdn\$36.57 per barrel for the remainder of 2004, and 2,575 bbl/d at a price of Cdn\$39.89 in 2005. In addition, the Trust has locked in 4,500 GJ/day of natural gas for the period April 1, 2004 to October 31, 2004 at a fixed price of Cdn\$5.82/GJ.

Crescent Point currently has two interest rate swaps with two separate banks. The first interest rate swap is at a rate of 4.20 percent on \$8,000,000, expiring February 15, 2005. The second interest rate swap is at 4.03 percent on \$12,000,000 of debt and expires on March 4, 2005.

Revenue

Revenue, prior to hedging transactions, increased 76 percent to \$31,480,000 in the first quarter of 2004 from \$17,904,000 in the first quarter of 2003. This increase in revenue consists of a 52 percent increase in crude oil and NGL revenue, and a 164 percent increase in natural gas revenue. Revenues increased mainly due to higher production volumes, and were offset by an approximate 15 percent decrease in realized prices, resulting primarily from the 15 percent increase in the Cdn/U.S. exchange rate as compared with the first quarter of 2003.

Revenue (\$000)	Three months ended March 31,		
	2004	2003	% Change
Crude oil and NGL sales ⁽¹⁾	21,461	14,115	52%
Natural gas sales ⁽¹⁾	10,019	3,789	164%
Total revenue	31,480	17,904	76%
Financial instrument - realized loss	(2,785)	(1,550)	(80%)
	28,695	16,354	75%

(1) The revenue is no longer reported net of transportation charges. See the transportation expense discussion below.

Transportation Expenses

Effective for fiscal years beginning on or after October 1, 2003, the CICA issued Handbook Section 1100 "Generally Accepted Accounting Principles," which defines the sources of GAAP that companies must use and effectively eliminates industry practice as a source of GAAP. In prior years, it had been industry practice for companies to net transportation charges against revenue rather than showing transportation as a separate expense on the income statement. Beginning January 1, 2004, the Trust has recorded revenue gross of transportation charges and a transportation expense on the income statement. Prior periods have been reclassified for comparative purposes. The transportation expenses for the first quarter ended March 31, 2004 were \$657,000 or \$0.81 per boe, as compared with transportation expenses of \$307,000 or \$0.78 per boe for the first quarter ended March 31, 2003. This adjustment has no impact on net income or cash flow.

Royalty Expenses

Royalties, net of Alberta Royalty Tax Credit ("ARTC") in the first quarter of 2004 were \$6,196,000 or 20 percent of revenue, compared with \$3,119,000 or 17 percent of revenue in the first quarter of 2003. The primary reason for the increase in royalties as a percent of revenue is due to the properties acquired in the Tappit and Capio acquisitions, which are higher royalty burden properties.

Royalties (\$000)	Three months ended March 31,		
	2004	2003	% Change
Total royalties, net of ARTC	6,196	3,119	99%
As a % of oil and gas sales	20%	17%	18%
Per boe	7.67	7.95	(4%)

Operating Expenses

Operating expenses decreased 14 percent to \$5.49 per boe in the first quarter of 2004, from \$6.41 per boe in the first quarter of 2003. The Trust experienced a decrease in year over year operating expenses per boe due to the low operating costs associated with the properties acquired in the Capiro acquisition, Crescent Point's successful development drilling program at Manor and the field optimization activities at Manor, Little Bow and Sounding Lake.

Operating Expenses (\$000)	Three months ended March 31,		
	2004	2003	% Change
Operating expenses	4,435	2,515	76%
Per boe	5.49	6.41	(14%)

Netbacks

In the first quarter of 2004, Crescent Point received an average crude oil and NGL netback of \$20.52 per bbl as compared to \$25.77 in the first quarter of 2003, and a natural gas netback of \$3.96 per mcf as compared to \$4.95 per mcf in the first quarter of 2003. On a total commodity basis, the Trust received a netback of \$21.64 per boe in the first quarter of 2004, as compared to \$26.55 per boe in the first quarter of 2003. The Trust's overall netback decreased by \$4.91 per boe or 18 percent primarily due to lower average realized prices in the first quarter of 2004 as compared to the first quarter of 2003. The primary reason for the lower average realized prices is the 15 percent strengthening of the Canadian dollar in 2004 as compared to 2003. The breakdown of netbacks is set out below:

Netbacks	Three months ended March 31,		
	2004	2003	% Change
Crude oil and NGLs			
Production (bbl/d)	5,860	3,490	68%
Price (\$/bbl)	40.24	44.93	(10%)
Transportation (\$/bbl)	(0.87)	(0.84)	4%
Financial instruments – realized losses (\$/bbl)	(5.15)	(4.93)	4%
Royalties, net (\$/bbl)	(7.85)	(7.36)	7%
Operating expenses (\$/bbl)	(5.85)	(6.03)	(3%)
Netback (\$/bbl)	20.52	25.77	(20%)
Natural gas			
Production (mcf/d)	18,084	5,210	247%
Price (\$/mcf)	6.09	8.08	(25%)
Transportation (\$/bbl)	(0.12)	(0.09)	33%
Financial instruments – realized losses (\$/bbl)	0.01	-	-
Royalties, net (\$/mcf)	(1.22)	(1.72)	(29%)
Operating expenses (\$/mcf)	(0.80)	(1.32)	(39%)
Netback (\$/mcf)	3.96	4.95	(20%)
Total			
Production (boe/d)	8,874	4,359	104%
Price (\$/boe)	38.98	45.64	(15%)
Transportation (\$/bbl)	(0.81)	(0.78)	4%
Financial instruments – realized losses (\$/bbl)	(3.37)	(3.95)	(15%)
Royalties, net (\$/boe)	(7.67)	(7.95)	(4%)
Operating expense (\$/boe)	(5.49)	(6.41)	(14%)
Netback (\$/boe)	21.64	26.55	(18%)

General and Administrative Expenses

General and administrative costs incurred by the Trust during the first quarter of 2004 totaled \$1,046,000. Of this, \$261,000 was capitalized as part of the Trust's drilling and development program, resulting in net administrative expenses of \$785,000 or \$0.97 per boe. This compares with general and administrative costs in the first quarter of 2003 of \$741,000 of which \$233,000 was capitalized, resulting in net administrative expenses of \$508,000 or \$1.30 per boe. Capitalized general and administrative expenses are expected to be minimal in the remainder of 2004 due to the Trust's focus on development rather than exploration activities. General and administrative costs expensed on a per boe basis decreased by \$0.33 per boe or 25 percent in the first quarter of 2004, largely due to the significant increase in production volumes with minimal increase in staff size.

General and Administrative Expenses (\$'000, except per unit and volume amounts)	Three months ended March 31,		
	2004	2003	% Change
General and administrative costs	1,046	741	41%
Capitalized	(261)	(233)	12%
General and administrative expense	785	508	55%
General and administrative expense per boe	0.97	1.30	(25%)

Interest Expense

Interest expense for the first quarter of 2004 amounted to \$552,000 compared with \$306,000 in the first quarter of 2003. The higher interest expense in the first quarter of 2004 was the result of a higher average debt balance.

Depletion, Depreciation and Amortization

Crescent Point's depletion, depreciation and amortization for the first quarter of 2004 was \$8,847,000 or \$10.96 per boe, as compared to depletion of \$3,404,000 or \$8.68 per boe in the first quarter of 2003. The depletion, depreciation and amortization rate increased in the first quarter of 2004 due to the increase in the cost of property acquisitions made throughout 2003 and 2004 as compared to 2002, a trend observed throughout the entire oil and gas industry.

Ceiling Test

Effective January 1, 2004, the Trust adopted the new CICA accounting guideline AcG-16 "Oil and Gas Accounting – Full Cost." The new guideline modifies how the ceiling test is performed, and requires cost centres to be tested for recoverability using undiscounted future cash flows which are determined using management's estimate of future prices applied to proved reserves. When the carrying amount of a cost centre is not recoverable, the cost centre would be written down to its fair value. Fair value is estimated using accepted present value techniques which incorporate risks and other uncertainties as well as the future value of reserves when determining expected cash flows.

There is no impact on the Trust's carrying amount for property, plant and equipment or to net income as a result of adopting this guideline.

Taxes

Capital and other taxes paid or payable amounted to \$561,000 in the first quarter of 2004 as compared to \$400,000 in the first quarter of 2003. It is expected that the Trust's Saskatchewan Resource Surcharge will continue to increase in 2004 as the Trust continues to focus on developing its Saskatchewan properties.

Future income taxes arise from differences between the accounting and tax bases of the operating companies' assets and liabilities. In the Trust structure, payments are made between the operating companies and the Trust transferring both the income and tax liability to the unitholders. It is therefore expected that the Trust will not incur any cash income taxes in the future, and as such the future tax liability recorded on the balance sheet will be recovered through future earnings.

In the first quarter of 2004, the Alberta government passed legislation to reduce provincial corporate income tax rates to 11.5 percent from 12.5 percent effective April 1, 2004. Crescent Point's expected future income tax rate incorporating this rate reduction is approximately 35 percent.

The future income tax recovery for the first quarter of 2004 is (\$946,000), as compared to future income tax expense in the first quarter of 2003 of \$2,492,000. Included in the (\$946,000) future income tax recovery is a (\$2,322,000) recovery relating to the non-cash unrealized loss on financial instruments and a (\$250,000) recovery due to the change in Alberta corporate tax rates.

As a result of the Capio acquisition, a future tax liability of \$15,382,000 was recorded. This represents the excess of the property, plant and equipment recorded for accounting purposes over the tax pools acquired.

Cash Flow and Net Income

Crescent Point generated cash flow from operations for the first quarter of 2004 of \$15,509,000 or \$0.59 per unit - diluted, and net income before non-cash fair value adjustments of \$4,689,000 or \$0.18 per unit - diluted. This compares to the first quarter of 2003, which generated cash flow of \$9,199,000 or \$0.64 per unit - diluted, and net income of \$3,259,000 or \$0.23 per unit - diluted. The increase in cash flow and net income is mainly attributable to the property acquisitions during the year and the resulting increase in production volumes. The increase in the quarter-over-quarter cash flow and net income before non-cash fair value adjustments would have been more significant, however the Cdn/U.S. dollar exchange rate strengthened by 15 percent in this time period, lowering the realized commodity prices received by the Trust by approximately 15 percent. Net income in 2004 including all non-cash fair value adjustments is \$438,000 or \$0.02 per unit - diluted. The decrease in net income can be mainly attributed to the new accounting standard for hedging relationships whereby financial instruments must be marked-to-

market unless they are designated as effective hedges. In the first quarter of 2004, the pre-tax unrealized loss on financial instruments was \$6,573,000 or \$0.25 per unit – diluted.

Cash Flow and Net Income (\$000, except per unit amounts)	Three months ended March 31,		
	2004	2003	% Change
Cash flow from operations	15,509	9,199	69%
Cash flow from operations per unit - diluted	0.59	0.64	(8%)
Net income before non-cash fair value adjustments	4,689	3,259	44%
Net income before non-cash fair value adjustments per unit - diluted	0.18	0.23	(22%)
Net income	438	3,259	(87%)
Net income per unit - diluted	0.02	0.23	(91%)

Capital Expenditures

In the first quarter of 2004, capital expenditures (net of dispositions) totaled \$68,784,000 as compared to \$30,102,000 in the first quarter of 2003. The capital expenditures are summarized as follows:

Capital Expenditures (net) (\$000)	Three months ended March 31,		
	2004	2003	% Change
Property acquisitions	61,880	22,244	178%
Drilling and development	6,117	7,368	(17%)
Capitalized administration	261	233	12%
Other	526	257	105%
Total	68,784	30,102	129%

On January 6, 2004, the Trust closed the acquisition of Capio for approximately \$82 million. The acquisition was primarily financed by an equity financing which closed on January 6, 2004. Approximately \$62 million of the purchase price has been allocated to property, plant and equipment.

Goodwill

The Trust recorded goodwill of \$36,976,000 during the first quarter of 2004 on the acquisition of Capio. The remaining goodwill of \$21,171,000 arose on the acquisition of Tappit in the third quarter of 2003.

Crescent Point performed a goodwill impairment test as at the date of the Capio acquisition, January 6, 2004. There is no impairment of the goodwill.

Asset Retirement Obligation

Effective January 1, 2004, the Trust retroactively adopted the new accounting standard CICA Handbook section 3110 "Asset Retirement Obligations." This new section changes the method of accruing for costs associated with the retirement of fixed assets which an entity is legally obligated to incur. Previously, asset retirement obligations were accrued on an undiscounted unit-of-production basis over the entire life of the asset. The new accounting standard requires that companies record the fair value of legal obligations associated with the retirement of tangible long-lived assets. The obligations are recorded as liabilities on a discounted basis when incurred and amounts recorded for the related assets are increased by the amount of these liabilities. Over time the liabilities are accreted for the change in their present value and the initial capitalized costs are depreciated over the useful lives of the related assets.

Upon adoption, all prior periods have been restated for the change in the accounting policy. At January 1, 2004, this resulted in an increase to the asset retirement obligation of \$5,195,000, an increase to property, plant and equipment of \$3,443,000, an increase in accumulated earnings of \$139,000, a decrease in the site restoration liability of \$1,972,000 and an increase to the future tax liability of \$81,000.

The previously reported 2003 amounts have been restated due to the retroactive application of this new standard. At January 1, 2003, this resulted in an increase to the asset retirement obligation of \$2,224,000, an increase to property, plant and equipment of \$1,902,000, an increase in accumulated earnings of \$24,000, a decrease in the site restoration liability of \$363,000 and an increase to the future tax liability of \$17,000. Net income for the year ended December 31, 2003 increased by \$115,000 as a result of the retroactive application of this accounting standard.

There is no impact on the Trust's cash flow or liquidity as a result of adopting this new accounting standard. See Note 7 to consolidated financial statements for additional information regarding the asset retirement obligation and impact on the consolidated financial statements.

Liquidity and Capital Resources

As at March 31, 2004, the Trust had net debt of \$58,069,000 compared with \$26,151,000 as at March 31, 2003. The bank debt is comprised of a revolving operating demand loan with a Canadian financial institution. On January 6, 2004, the maximum amount available under the credit facility was increased to \$105,000,000. Approximately \$47,000,000 of the credit facility remains unutilized at March 31, 2004. Given the significant amount available but unutilized under the credit facility, and the success raising new equity during the period (see Unitholders' Equity discussion below), the Trust believes it has sufficient capital resources to meet obligations and achieve excellent financial results going forward.

At the end of the first quarter of 2004, Crescent Point was capitalized with 12 percent debt and 88 percent equity, as compared with 15 percent debt and 85 percent equity at the end of the first quarter of 2003 (based on quarter-end market capitalization). The Trust's net debt to annualized cash flow ratio was approximately 0.94 times at the end of the first quarter of 2004, as compared to 0.71 times at the end of the first quarter of 2003.

Unitholders' Equity

Crescent Point's total capitalization increased 178 percent to \$478,149,000 during the first quarter of 2004 with the market value of Trust units representing 88 percent of total capitalization. This compares with the total capitalization of \$172,237,000 at the end of the first quarter of 2003, with the market value of Trust units representing 85 percent of total capitalization.

On January 6, 2004, the Trust closed a bought deal equity financing pursuant to which 5,150,000 units were sold for proceeds of \$65,662,500 (\$12.75 per Trust unit). The proceeds from this financing were used to fund the acquisition of Capiro.

Units of the Trust trade on the Toronto Stock Exchange. Up to March 31, 2004, the units traded in the range of \$11.15 to \$15.90, with an average daily trading volume of 116,656 units.

Unitholders electing to participate in the distribution reinvestment plan and premium distribution reinvestment plan resulted in an additional 301,472 units being issued in the first quarter of 2004 at an average price of \$13.78, raising a total of \$4,153,000. Participation levels in these plans is currently in excess of 30 percent. The cash raised through these alternative equity programs is used for general corporate purposes. Crescent Point will continue to monitor participation levels, and will continue to utilize these funds in the most effective manner.

The Trust established the Restricted Unit Bonus Plan on September 5, 2003. Under the terms of the Restricted Unit Bonus Plan, the Trust may grant restricted units to directors, officers, employees and consultants. Restricted units vest at 33 ⅓ percent on each of the first, second and third anniversaries of the grant date. Restricted unitholders are eligible for the first third of their monthly distributions for the first year, immediately upon grant. On the date the restricted units vest, the restricted unitholders are entitled to the distributions accrued from the date of grant to the date of vesting on the other two thirds of their restricted units.

The unitholders have approved a maximum number of units allowable under the Restricted Unit Bonus Plan of 935,000 units. The Trust granted 187,950 restricted units on October 1, 2003, and a further 69,033 restricted units on January 5, 2004. The Trust recorded compensation expense and contributed surplus of \$478,000 in the first quarter of 2004, based on the estimated fair value of the units on the date of grant.

Cash Distributions

Cash distributions of \$0.51 per Trust unit were declared for the first quarter of 2004. Of this amount, \$0.34 per unit was paid in the first quarter of 2004, and \$0.17 per unit was paid on April 15, 2004. Cash flow from operations for the first quarter of 2004 was \$0.59 per unit - diluted. This represents a payout ratio of approximately 86 percent on a per unit basis for the first quarter of 2004.

Business Risks and Prospects

Please refer to page 35 of Crescent Point's 2003 annual report.

CONSOLIDATED BALANCE SHEET

(UNAUDITED) (\$000)	As at	
	March 31, 2004	Dec. 31, 2003
	\$	\$
ASSETS		
Current assets:		<i>Restated (Note 3(b))</i>
Cash	83	82
Accounts receivable	15,511	17,505
Investments in marketable securities	188	188
Deferred financial instrument loss (Note 10)	2,340	-
Prepays and deposits	809	318
	18,931	18,093
Deposits on property, plant and equipment	-	1,000
Property, plant and equipment (Note 5)	228,708	168,591
Goodwill (Note 5)	58,147	21,171
	305,786	208,855
LIABILITIES AND UNITHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	16,407	13,945
Cash distributions payable	2,833	2,345
Bank indebtedness (Note 6)	55,420	40,220
Risk management liability (Note 10)	8,913	-
	83,573	56,510
Asset retirement obligation (Note 7)	6,068	5,195
Future income taxes	44,149	29,713
	133,790	91,418
Unitholders' equity:		
Unitholders' capital (Note 8(a))	181,808	113,880
Exchangeable shares (Note 8(a))	9,121	10,782
Contributed surplus (Note 8(b))	817	339
Accumulated earnings	4,571	4,133
Accumulated cash distributions (Note 4)	(24,321)	(11,697)
	171,996	117,437
	305,786	208,855

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED EARNINGS

(UNAUDITED) (\$000)	Three months ended	
	March 31, 2004	March 31, 2003
	\$	\$
Revenue:		<i>Restated</i> <i>(Note 3(b)&(d))</i>
Oil and gas sales	31,480	17,904
Transportation expenses (Note 3(d))	(657)	(307)
Royalties, net of ARTC	(6,196)	(3,119)
Financial instruments		
Realized losses	(2,785)	(1,550)
Unrealized losses (Note 10)	(6,573)	-
	15,269	12,928
Expenses:		
Operating	4,435	2,515
General and administrative	785	508
Unit-based compensation (Note 8(b))	478	-
Interest on bank indebtedness	552	306
Depletion, depreciation and amortization	8,847	3,404
Accretion on asset retirement obligation (Note 7)	119	44
Capital and other taxes	561	400
	15,777	7,177
Income (loss) before future income tax	(508)	5,751
Future income tax expense (recovery)	(946)	2,492
Net income for the period	438	3,259
Accumulated earnings, beginning of the period	3,994	3,117
Retroactive application of change in accounting policy (Note 3(b))	139	24
Accumulated earnings, end of the period	4,571	6,400
Net income per unit (Note 9)		
Basic	0.02	0.24
Diluted	0.02	0.23

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED) (\$000)	Three months ended	
	March 31, 2004	March 31, 2003
	\$	\$
Cash provided by (used in)		<i>Restated</i>
Operating activities		<i>(Note 3(b))</i>
Net income for the period	438	3,259
Items not affecting cash		
Future income taxes	(946)	2,492
Unit-based compensation	478	-
Depletion, depreciation and amortization	8,847	3,404
Accretion on asset retirement obligation	119	44
Unrealized losses on financial instruments	6,573	-
Cash flow from operations	15,509	9,199
Change in non-cash working capital		
Accounts receivable	4,508	(981)
Prepaid expenses and deposits	(276)	(151)
Accounts payable	(6,308)	(11,039)
	13,433	(2,972)
Investing activities		
Expenditures on petroleum and natural gas properties	(7,096)	(30,102)
Acquisition of Capio Petroleum Corporation (Note 5)	(76,845)	-
Petroleum and natural gas deposits	1,000	3,225
Change in non-cash working capital		
Accounts receivable	(58)	324
Accounts payable	844	5,582
	(82,155)	(20,971)
Financing activities		
Issue of trust units, net of issue costs	66,267	9,367
Increase in bank indebtedness	14,593	14,521
Cash distributions paid	(12,137)	-
	68,723	23,888
Increase (decrease) in cash	1	(55)
Cash at beginning of period	82	85
Cash at end of period	83	30

See accompanying notes to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2004 (UNAUDITED)

1. CORPORATE REORGANIZATION AND BASIS OF PRESENTATION

Crescent Point Energy Trust (the "Trust") is an open-ended unincorporated investment trust created pursuant to a Declaration of Trust and operating under the laws of the Province of Alberta. The Trust was established as part of a Plan of Arrangement (the "Arrangement") that became effective on September 5, 2003.

The Arrangement gave effect to the transactions contemplated by the agreement entered into on May 26, 2003 by Crescent Point Energy Ltd. ("old Crescent Point" or the "Corporation") and Tappit Resources Ltd. ("Tappit"). The reorganization resulted in the shareholders of old Crescent Point and Tappit receiving trust units in the Trust, a new oil and natural gas energy trust that owns all of old Crescent Point's and Tappit's producing assets. In addition, the shareholders of old Crescent Point and Tappit received shares in a separate, publicly-listed, growth and exploration focused producer StarPoint Energy Ltd. ("StarPoint"), which owns old Crescent Point's exploration assets and undeveloped lands in its northeast British Columbia exploration focus area.

The Arrangement involving conversion to the Trust has been accounted for as a continuity of interests. Accordingly, these consolidated financial statements reflect the financial position, results of operations and cash flows as if the trust had always carried on the businesses formerly carried on by old Crescent Point. All assets and liabilities are recorded at historical cost. The three months ended March 31, 2003 reflect the results of operations and cash flows of old Crescent Point and its subsidiaries. Due to the conversion into an income trust, certain information included in the financial statements for prior periods may not be directly comparable.

The term "units" has been used in these financial statements to identify both the Trust units and exchangeable shares of the Trust issued on or after September 5, 2003 as well as the Class A common shares of the Corporation outstanding prior to the conversion on September 5, 2003. All pre-arrangement comparative share numbers have been adjusted for the consolidation of Class A and Class B shares.

2. SIGNIFICANT ACCOUNTING POLICIES

These interim consolidated financial statements of Crescent Point Energy Trust have been prepared by management in accordance with Canadian generally accepted accounting principles and follow the same accounting policies as the most recent annual audited financial statements except as noted below in Note 3. The specific accounting policies used are described in the annual consolidated financial statements appearing on pages 41 through 44 of the Trust's 2003 Annual Report. All amounts reported in these statements are in Canadian dollars.

3. CHANGES IN ACCOUNTING POLICIES

a) Full Cost Accounting

Effective January 1, 2004, the Trust adopted the new CICA accounting guideline AcG-16 "Oil and Gas Accounting – Full Cost." The new guideline modifies how the ceiling test is performed, and requires cost centres to be tested for recoverability using undiscounted future cash flows which are determined using management's estimate of future prices applied to proved reserves. When the carrying amount of a cost centre is not recoverable, the cost centre would be written down to its fair value. Fair value is estimated using accepted present value techniques which incorporate risks and other uncertainties as well as the future value of reserves when determining expected cash flows.

There is no impact on the Trust's carrying amount for property, plant and equipment or to net income as a result of adopting this guideline. The following are the prices that were used in the ceiling test:

Average Price Forecast	2004	2005	2006	2007	2008	2009-2014	2015+⁽¹⁾
WTI (\$US/bbl)	29.00	26.00	25.00	25.00	25.00	25.00	1.5%
Exchange Rate	0.75	0.75	0.75	0.75	0.75	0.75	-
WTI (\$Cdn/bbl)	38.67	34.67	33.33	33.33	33.33	33.00	1.5%
AECO (\$Cdn/mcf)	5.85	5.15	5.00	5.00	5.00	5.00	1.5%

(1) Percentage change represents the change in each year after 2014 to the end of the reserve life.

b) Asset Retirement Obligation

Effective January 1, 2004, the Trust retroactively adopted the new accounting standard CICA Handbook section 3110 "Asset Retirement Obligations." This new section changes the method of accruing for costs associated with the retirement of fixed assets which an entity is legally obligated to incur. Previously, asset retirement obligations were accrued on an undiscounted unit-of-production basis over the entire life of the asset. The new accounting standard requires that companies record the fair value of legal obligations associated with the retirement of tangible long-lived assets. The obligations are recorded as liabilities on a discounted basis when incurred and amounts recorded for the related assets are increased by the amount of these liabilities. Over time the liabilities are accreted for the change in their present value and the initial capitalized costs are depreciated over the useful lives of the related assets.

Upon adoption, all prior periods have been restated for the change in the accounting policy. At January 1, 2004, this resulted in an increase to the asset retirement obligation of \$5,195,000, an increase to property, plant and equipment of \$3,443,000, an increase in accumulated earnings of \$139,000, a decrease in the site restoration liability of \$1,972,000 and an increase to the future tax liability of \$81,000.

The previously reported 2003 amounts have been restated due to the retroactive application of this new standard. At January 1, 2003, this resulted in an increase to the asset retirement obligation of \$2,224,000, an increase to property, plant and equipment of \$1,902,000, an increase in accumulated earnings of \$24,000, a decrease in the site restoration liability of \$363,000 and an increase to the future tax liability of \$17,000. Net income for the year ended December 31, 2003 increased by \$115,000 as a result of the retroactive application of this accounting standard.

There is no impact on the Trust's cash flow or liquidity as a result of adopting this new accounting standard. See Note 7 for additional information regarding the asset retirement obligation and impact on the consolidated financial statements.

c) Financial Instruments

Effective January 1, 2004, the Trust adopted the new CICA accounting guideline AcG-13 "Hedging Relationships." Financial instruments that are not designated as hedges under the guideline are recorded on the balance sheet as either an asset or liability with the change in fair value recognized in net earnings. The Trust has elected not to designate any of its risk management activities as accounting hedges under AcG-13, and accordingly has marked-to-market its financial instruments.

The impact on the Trust's financial statements as at January 1, 2004 is the recognition of a risk management liability and a deferred financial instrument loss of \$3,209,000. The deferred financial instrument loss will be recognized in earnings as the contracts expire. See Note 10 for additional information regarding the financial instruments and risk management.

d) Transportation Expenses

Effective for fiscal years beginning on or after October 1, 2003, the CICA issued Handbook Section 1100 "Generally Accepted Accounting Principles," which defines the sources of GAAP that companies must use and effectively eliminates industry practice as a source of GAAP. In prior years, it had been industry practice for companies to net transportation charges against revenue rather than showing transportation as a separate expense on the income statement. Beginning January 1, 2004, the Trust has recorded revenue gross of transportation charges and a transportation expense on the income statement. Prior periods have been reclassified for comparative purposes. This adjustment has no impact on net income or cash flow.

4. RECONCILIATION OF CASH FLOW AND DISTRIBUTIONS

(\$000, except per unit amounts)	For the Period Ended March 31, 2004
Cash flow from operations before changes in non-cash working capital	15,509
Add (deduct)	
Cash withheld to fund current period capital expenditures	(2,885)
Reclamation fund contributions and interest earned on fund	-
Debt repayments	-
Cash distributions declared to unitholders	12,624
Accumulated cash distributions, beginning of period	11,697
Accumulated cash distributions, end of period	24,321
Cash distributions per unit ⁽¹⁾	0.51
Accumulated cash distributions per unit – beginning of period	0.68
Accumulated cash distributions per unit – end of period	1.19

(1) Cash distributions per unit reflect the sum of the per unit amounts declared monthly to unitholders.

5. ACQUISITION OF CAPIO PETROLEUM CORPORATION

On January 6, 2004, the Trust purchased all of the issued and outstanding shares of Capio Petroleum Corporation, a private oil and gas company. The purchase was paid for with cash and accounted for using the purchase method of accounting. The net assets acquired and consideration is allocated as follows:

	(\$000)
Net assets acquired	
Cash	56
Property, plant and equipment	61,688
Goodwill	36,976
Working capital deficiency	(5,862)
Asset retirement obligation	(575)
Future income taxes	(15,382)
Total net assets acquired	76,901
Consideration	
Cash	76,488
Acquisition costs (net of option proceeds of \$2.58 million)	413
Total purchase price	76,901

6. BANK INDEBTEDNESS

On January 6, 2004, the Trust's revolving term demand bank loan facility was increased to \$105,000,000. As at March 31, 2004, Crescent Point had drawn \$55,420,000 on this facility. The interest charged on the facility is calculated based on a sliding scale ratio of the Trust's debt to cash flows.

7. ASSET RETIREMENT OBLIGATION

The total future asset retirement obligation was estimated by management based on the Trust's net ownership in all wells and facilities. This includes all estimated costs to reclaim and abandon the wells and facilities and the estimated timing of the costs to be incurred in future periods. The Trust has estimated the net present value of its total asset retirement obligation to be \$6,068,000 at March 31, 2004 (December 31, 2003 - \$5,195,000) based on total estimated undiscounted cash flows to settle the obligation of \$14,823,000 (December 31, 2003 - \$13,532,000). The expected period until settlement ranges from a minimum of one year to a maximum of 42 years, with the costs expected to be paid over an average of 20 years. The estimated cash flows have been discounted using a credit-adjusted risk-free rate of eight percent and an inflation rate of two percent.

The following table reconciles the asset retirement obligation:

	March 31, 2004 (\$000)	December 31, 2003 (\$000)
Asset retirement obligation, beginning of the period	5,195	2,224
Liabilities incurred	754	2,793
Liabilities settled	-	-
Accretion expense	119	178
Asset retirement obligation, end of the period	6,068	5,195

8. UNITHOLDERS' EQUITY

a) Issued and Outstanding

	March 31, 2004	
	Number of Shares / Trust Units	Amount (\$000)
Trust Units		
Balance, beginning of period	19,282,049	118,038
Issued for cash	5,150,000	65,663
Issued on conversion of exchangeable shares	315,939	1,661
Issued pursuant to the distribution reinvestment plans	204,914	2,729
To be issued pursuant to the distribution reinvestment plans	96,558	1,424
Balance, end of period	25,049,460	189,515
Cumulative unit issue costs, net of tax	-	(7,707)
Total Unitholders' capital, end of period	25,049,460	181,808
Exchangeable Shares		
Balance, beginning of period	1,902,901	10,782
Exchanged for Trust units	(293,112)	(1,661)
Balance, end of period	1,609,789	9,121
Exchange ratio, end of period	1.08173	-
Trust units issuable upon conversion, end of period	1,741,357	9,121

b) Restricted Unit Bonus Plan

The Trust established the Restricted Unit Bonus Plan on September 5, 2003. Under the terms of the Restricted Unit Bonus Plan, the Trust may grant restricted units to directors, officers, employees and consultants. Restricted units vest at 33 1/3 percent on each of the first, second and third anniversaries of the grant date. Restricted unitholders are eligible for the first third of their monthly distributions for the first year, immediately upon grant. On the date the restricted units vest, the restricted unitholders are entitled to the distributions accrued from the date of grant to the date of vesting on the other two thirds of their restricted units. Although this balance is not restricted, the distributions of \$151,000 accrued to date on the other two thirds of the restricted units at March 31, 2004 have been segregated in a separate bank account.

The unitholders have approved a maximum number of units allowable under the Restricted Unit Bonus Plan of 935,000 units. The Trust granted 187,950 restricted units on October 1, 2003, and a further 69,033 restricted units on January 5, 2004. The Trust recorded compensation expense and contributed surplus of \$478,000 in the period ended March 31, 2004, based on the fair value of the units on the date of grant.

9. PER TRUST UNIT AMOUNTS

The following table summarizes the Trust units used in calculating net income per Trust unit:

	As at March 31,	
	2004	2003
Weighted average Trust units/shares	24,290,770	13,689,880 ⁽²⁾
Trust units issuable on conversion of exchangeable shares ⁽¹⁾	1,741,357	-
Weighted average Trust units/shares and exchangeable shares	26,032,127	13,689,880
Dilutive impact of restricted units/stock options	253,949	648,350
Dilutive Trust units/shares and exchangeable shares	26,286,076	14,338,230

(1) The Trust units issuable on conversion of the exchangeable shares reflects the exchangeable shares outstanding at the end of the period converted at the exchange ratio in effect at the end of the period.

(2) All pre-arrangement comparative share numbers have been adjusted for the consolidation of Class A and Class B shares.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As discussed in Note 3(c), as at January 1, 2004, the fair value of all outstanding instruments was recorded on the balance sheet with an offsetting deferred financial instrument loss. The deferred financial instrument loss is recognized in net income over the life of the associated contracts. Changes in fair value after that time are recorded on the balance sheet with the associated unrealized gain or loss recorded in net income. The estimated fair value of all financial instruments is based on quoted market prices or, in their absence, third party market indications and forecasts.

The following table presents a reconciliation of the risk management liability and the deferred financial instrument loss:

	(\$000)
Risk management liability, January 1, 2004	3,209
Mark-to-market unrealized loss	5,704
Risk management liability, March 31, 2004	8,913
Deferred financial instrument loss, January 1, 2004	3,209
Amortization	(869)
Deferred financial instrument loss, March 31, 2004	2,340

The Trust presently has a number of fixed oil hedges outstanding, the details of which are as follows:

	Volume (boe/d)	Weighted average price (\$Cdn/bbl)	Index
April 1, 2004 to December 31, 2004	2,957	36.57	WTI
January 1, 2005 to December 31, 2005	2,575	39.89	WTI

The Trust has the following fixed price gas contracts currently in place:

	Volume (GJ/day)	Price (\$Cdn/GJ)	Index
April 1, 2004 to October 31, 2004	4,500	5.82	AECO

11. COMPARATIVE INFORMATION

Certain information provided for the previous period has been restated to conform with the current period presentation.

CORPORATE INFORMATION

DIRECTORS:

Scott Saxberg (4)
Paul Colborne, Chairman (2)(4)
Hugh Gillard (1)(2)
Peter Bannister (1)(3)
Ken Cugnet (3)(4)
Greg Turnbull (2)
Gerald Romanzin (1)(3)

1. Member of the Audit Committee of the Board of Directors
2. Member of the Compensation Committee of the Board of Directors
3. Member of the Reserves Committee of the Board of Directors
4. Member of the Health, Safety and Environment Committee of the Board of Directors

OFFICERS:

Scott Saxberg, President and Chief Operating Officer
C. Neil Smith, Vice President, Engineering and Business Development
Wade Becker, Vice-President, Land
Dan Toews, Treasurer and Controller
Dave Balutis, Manager Geology
Richard McHardy, Corporate Secretary

Head Office: Suite 1800, 500 – 4 Avenue S.W., Calgary, Alberta T2P 2V6
Tel: (403) 693-0020; Fax: (403) 693-0070

Banker: The Bank of Nova Scotia, Calgary, Alberta

Auditor: PricewaterhouseCoopers LLP, Calgary, Alberta

Legal Counsel: McCarthy Tétrault LLP, Calgary, Alberta

Evaluation Engineers: Gilbert Laustsen Jung Associates Ltd., Calgary, Alberta

INVESTOR RELATIONS:

Registrar and Transfer Agent: Investors are encouraged to contact Crescent Point's Registrar and Transfer Agent for information regarding their security holdings:
Olympia Trust Company
2300, 125 - 9th Avenue SE, Calgary, Alberta T2G 0P6
Tel: (403) 261-0900

Stock Exchange: Toronto Stock Exchange - TSX

Stock Symbols: CPG.UN

Investor Contacts: Scott Saxberg, President and Chief Operating Officer
Dan Toews, Treasurer and Controller



Suite 1800, 500 - 4th Avenue S.W.
Calgary, Alberta T2P 2V6
Tel: (403) 693-0020
Fax: (403) 693-0070

www.crescentpointenergy.com