



# Crescent Point Energy Trust

## PRESS RELEASE

### **CRESCENT POINT ENERGY TRUST TO ACQUIRE BULLDOG ENERGY INC. VIA A PLAN OF ARRANGEMENT, ACQUIRES ADDITIONAL SOUTHEAST SASKATCHEWAN ASSET AND INCREASES MONTHLY DISTRIBUTION**

October 3, 2005. CALGARY, ALBERTA. Crescent Point Energy Trust ("Crescent Point" or the "Trust") (TSX: CPG.UN) and Bulldog Energy Inc. ("Bulldog") (TSX: BDE-A, BDE-B) are pleased to announce that their respective Board's of Directors have unanimously approved a Proposal (the "Proposal") pursuant to which the Trust will acquire, by way of Plan of Arrangement (the "Plan") all of Bulldog's issued and outstanding Class A and Class B shares in exchange for trust units of Crescent Point. Currently, Bulldog is producing approximately 2,125 boe/d of focused high netback, light oil and natural gas production. As part of the Plan of Arrangement, Bulldog will create a new publicly traded exploration company (the "Exploreco") with approximately 200 boe/d of light oil production located in southeast Saskatchewan. The existing Bulldog management team will manage the Exploreco. Upon implementation of the Plan, Crescent Point will increase its monthly distribution from \$0.19 per unit to \$0.20 per unit.

Crescent Point is also pleased to announce that it has executed a Purchase and Sale Agreement with an Alberta based publicly traded oil and gas company to acquire approximately 475 boe/d of high quality light oil and natural gas producing assets located in the Trust's primary operating area of southeast Saskatchewan for a total cash consideration of approximately \$25.5 million, effective October 1, 2005 (the "Acquisition"). The Acquisition is expected to close on or about January 2, 2006, subject to standard conditions and obtaining regulatory and other approvals required by law. The Acquisition will be funded from the Trust's existing bank lines.

#### **BULLDOG PLAN**

Under the terms of the Proposal, each issued and outstanding Bulldog Class A share will be exchanged for 0.13 of a Crescent Point trust unit. In addition, pursuant to the Plan, Bulldog shareholders will be entitled to receive 1.0 common share of Exploreco for each Bulldog Class A share held. Each issued and outstanding Bulldog Class B share will be converted into Class A shares in accordance with the articles of Bulldog on the basis of the 10 day weighted average trading price of the Class A shares commencing October 4, 2005, and the Class A shares received upon such conversion will be exchanged in accordance with the above mentioned exchange ratios.

The Plan requires the requisite approval of the Bulldog shareholders along with customary regulatory, court and other approvals. An information circular outlining the Plan is expected to be mailed in late October, 2005. Bulldog will endeavor to have the shareholder's meeting relating to such approvals will be held on or about November 25, 2005. This will allow the Plan to be implemented on or before the November 28, 2005 which will enable shareholders of Bulldog who receive units of the Trust pursuant to the Plan to receive the November distribution of \$0.20 per Crescent Point unit held payable December 15, 2005. Crescent Point has also agreed that should the Effective Date of the proposed Plan be later than November 28, 2005 (the Record Date for its November monthly distribution), Crescent Point will deliver a cash payment of \$0.026 for each Bulldog Class A share on closing.

Based on the above exchange ratio, Crescent Point will issue an estimated 4.6 million trust units and assume approximately \$18 million of current debt to acquire 1,925 boe/d of focused, high netback, light oil and natural gas producing assets located in the Trust's primary operating area of southeast Saskatchewan. The total consideration to be paid in Crescent Point trust units and debt for the Bulldog Plan is estimated at \$118 million, based on Crescent Point's September 30, 2005 closing unit price of \$21.70.

Approximately, 1,300 boe/d of Bulldog's production is strategically located adjacent and contiguous with Crescent Point's core Manor field in southeast Saskatchewan. Crescent Point's Manor area production will increase from 3,000 to 4,300 boe/d with the closing of the Plan.

*Key attributes of Bulldog production acquired:*

- Current production of 1,925 boe/d comprised of 99% high netback, light oil and 1% natural gas
- Operated assets (95%) with average working interest of approximately 75% including a 100% operated interest in the Manor field
- Strategically consolidates the southeast Saskatchewan areas of Manor and Tatagwa
- Low operating costs of less than \$6.00/boe
- Low royalties of less than 17%
- Consolidation of the Trust's existing Manor pool which increases the original oil in place from 90 million barrels to over 114 million barrels
- Significant drilling upside with more than 40 (35.1 net) development infill drilling locations identified on the acquired lands
- 31,081 gross acres and 27,195 net acres of undeveloped land and seismic worth more than \$5 million

*Reserves Summary*

- Approximately 5.3 million boe of proved plus probable and 3.4 million boe of proved reserves (effective August 31, 2005 and based on independent engineering estimates utilizing NI 51-101 reserve definitions)
- Reserve life index of 7.5 years proved plus probable and 4.8 years proved

## **PROPERTY ACQUISITION**

Crescent Point has executed a Purchase and Sale Agreement to acquire a large oil in place Alida pool producing approximately 475 boe/d of high quality, long life, light oil and natural gas. The property lies between the Trust's main producing fields of Manor and Ingoldsby in southeast Saskatchewan. The total cash consideration for the Acquisition is approximately \$25.5 million, effective October 1, 2005. The Acquisition is anticipated to close on or about January 2, 2006, subject to standard conditions and obtaining regulatory and other approvals required by law. The Acquisition will be funded from the Trust's existing bank lines.

*The Acquisition is characterized by the following attributes:*

- Current production of 475 boe/d comprised of 92% of high netback, light oil and 8% natural gas
- Operated assets (78%) with average working interest of approximately 83%, including a 100% operated interest in the Rosebank Unit
- 100% operated oil facility
- Strategically consolidates Crescent Point's southeast Saskatchewan operating corridor of Manor - Ingoldsby
- Drilling upside with more than 5 (4.2 net) development infill drilling locations identified on the acquired lands
- Large original oil in place Alida pool of more than 80 million barrels

- 1.5% working interest in the Nottingham gas plant and 2.3% working interest in the pipeline infrastructure
- 960 gross acres and 704 net acres of undeveloped land

#### *Reserves Summary*

- Approximately 1.7 million boe of proved plus probable and 1.4 million boe of proved reserves (effective July 1, 2005 and based on independent engineering estimates utilizing NI 51-101 reserve definitions)
- Reserve life index of 9.8 years proved plus probable and 8.1 years proved

### **BULLDOG PLAN AND ACQUISITION METRICS**

Excluding Bulldog's land and seismic value of \$5 million, the Bulldog Plan and Acquisition metrics are as follows:

#### 1. Cash Flow Multiple

- 3.8 times based on estimated 2005 production (\$60.00 US WTI/bbl; \$8.50/GJ AECO and \$0.84 CDN\$/US\$ exchange rate)

#### 2. Production

- \$57,700 per producing boe based on 2,400 boe/d

#### 3. Reserves

- \$19.79 per proved plus probable boe
- \$28.85 per proved boe

The combined Bulldog Plan and Acquisition is accretive to Crescent Point on a reserve, production and cash flow per unit basis.

Crescent Point management believes that the strategic, high quality, light oil and natural gas assets it will acquire through the Bulldog Plan and Acquisition complement and increase the Trust's existing large oil in place asset base. The Bulldog Plan and Acquisition will add significant potential drilling upside with more than 45 (39.3 net) lower risk development locations to the Trust. Upon closing of the Plan, Crescent Point will have production in excess of 15,000 boe/d with more than 220 lower risk drilling locations and debt to cash flow of less than 1.0.

### **MONTHLY DISTRIBUTION INCREASE**

The Board of Directors of Crescent Point is pleased to announce an increase in the monthly distribution to \$0.20 per unit from \$0.19 per unit, subject to the implementation of the Plan. The Trust's projected 2006 payout ratio will be less than 60% assuming current commodity prices, the existing hedges in place and the increased monthly distribution of \$0.20 per unit.

### **BOARD'S OF DIRECTORS RECOMMENDATIONS**

The Board's of Directors of both Crescent Point and Bulldog have unanimously approved the Plan. Tristone Capital Inc. has provided Bulldog's Board of Directors with its opinion that the consideration to be received by Bulldog shareholders is fair, from a financial point of view. The Bulldog Board has concluded that the Plan is in the best interests of its shareholders, and has resolved to recommend that the Bulldog shareholders vote their Bulldog shares in favour of the Plan. The officers and Board of Directors of Bulldog beneficially owning approximately 12% of the Class A shares of Bulldog have signed Lock-up Agreements and agreed to vote their Bulldog securities in favour of the Plan. Bulldog has also agreed that it will not solicit or initiate any discussions concerning the sale of material assets or any other business combination.

## **FORWARD LOOKING STATEMENTS**

This press release may contain forward-looking statements including expectations of future production, cash flow and earnings. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: the risks associated with the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price, price and exchange rate fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Additional information on these and other factors that could affect Crescent Point's operations or financial results are included in Crescent Point's reports on file with Canadian securities regulatory authorities.

This news release is not for dissemination in the United States or to any United States news services. The trust units of Crescent Point Energy Trust have not and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States or to any U.S. person except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Crescent Point Energy Trust is a conventional oil and gas income trust with assets strategically focused in properties comprised of high quality, long life, operated, light oil and natural gas reserves in western Canada.

## **FOR FURTHER INFORMATION PLEASE CONTACT:**

Crescent Point Energy Trust  
c/o Crescent Point Resources Ltd.

Scott Saxberg, President and Chief Executive Officer

or

Greg Tisdale, Chief Financial Officer

(403) 693-0020  
(403) 693-0070 (FAX)

(403) 693-0020  
(403) 693-0070 (FAX)

website: [www.crescentpointenergy.com](http://www.crescentpointenergy.com)