

## TAX INSTRUCTION LETTER

**To: Former holders of common shares of Wave Energy Ltd. ("Wave") who elected to exchange their common shares of Wave directly with Crescent Point Energy Corp. ("CPEC") for common shares of CPEC on October 22, 2009.**

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**NOTE: THESE INSTRUCTIONS DO NOT APPLY TO FORMER WAVE SHAREHOLDERS WHO DID NOT MAKE THE ELECTION TO EXCHANGE THEIR SHARES DIRECTLY WITH CRESCENT POINT PRIOR TO OCTOBER 22, 2009.**

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This tax instruction letter is for use by the former holders of common shares of Wave ("**Wave Shares**") who elected to dispose of their Wave Shares in a direct exchange with CPEC, pursuant to the Offer to Purchase Information Circular dated September 11, 2009 as amended September 22, 2009 (the "**Circular**"). A beneficial owner of Wave Shares (a "**Wave Shareholder**") may be able to defer some or all of any tax otherwise arising upon such disposition under the *Income Tax Act* (Canada) (the "**Tax Act**") by making a joint tax election with CPEC under subsection 85(1) of the Tax Act or, in the case of a Wave Shareholder that is a partnership, under subsection 85(2) of the Tax Act (in either case, a "**Tax Election**"). The procedure for making a Tax Election (the "**Tax Election Procedure**") is discussed herein, and in the Circular under the heading "*Canadian Federal Income Tax Considerations*".

The Crescent Point website contains one copy of Canada Revenue Agency ("**CRA**") Form T2057 and one copy of Form T2058. Form T2058 is to be used in the event that the Wave Shares are held as partnership property, otherwise Form T2057 is to be used. Additional copies of the relevant Tax Election forms may be obtained by contacting the CRA or from their website (<http://www.cra-arc.gc.ca>).

**If you download and use the pre-signed Form T2057 or T2058, do not send the completed form to CPEC, instead file it with the CRA.**

CPEC will make a Tax Election only with a Wave Shareholder who is a "**Qualifying Wave Shareholder**". A Qualifying Wave Shareholder is a shareholder who elected to exchange their Wave Shares directly with CPEC on October 22, 2009 and who is: (i) a resident of Canada for purposes of the Tax Act, or (ii) a partnership that is a Canadian partnership for the purposes of the Tax Act.

**CPEC is not required to make a Tax Election with anyone who is not a Qualifying Wave Shareholder.**

**These instructions are of a general nature only and are not intended to be (nor should they be construed to be) legal or tax advice to any particular Wave Shareholder concerning the Tax Election or the Tax Election Procedure. Further, apart from providing these materials to Wave Shareholders for their convenience, CPEC will not provide Wave Shareholders with any advice on making the Tax Election. Accordingly, Wave Shareholders should consult with their own tax advisors for specific advice in respect of whether to make a Tax Election, making the Tax Election and complying with the Tax Election Procedure having regard to their own particular circumstances.**

**Please review the enclosed forms very carefully and consult your tax advisor as to their proper completion and delivery and any filing deadlines. You are also advised to review Information Circular 76-19R3 and Interpretation Bulletin IT-291R3 issued by the CRA for information in respect of the Tax Election.**

### **PROVINCIAL OR TERRITORIAL ELECTIONS**

In order to achieve a deferral of tax in some provinces or territories similar to that resulting from the Tax Election, it may be necessary to file a separate copy of the Tax Election or a separate provincial or territorial tax election analogous to the Tax Election with the taxing authority of such province or territory.

CPEC will also make such a provincial or territorial tax election with a Qualifying Wave Shareholder under the same conditions that it is willing to make the Tax Election. Wave Shareholders are entirely responsible for determining whether any such separate federal, provincial or territorial election is applicable and appropriate in their circumstances and (if so) obtaining, completing and forwarding the related forms to CPEC for execution by CPEC. These completed forms must be received by CPEC on or before December 31, 2009 at:

Crescent Point Energy Corp  
2800, 111 – 5 Avenue SW  
Calgary, AB T2P 3Y6  
Attention: Tax Manager

CPEC will assume that any representative that signs the Tax Election forms on behalf of a corporation, trust or estate has been duly authorized to do so, and will not take any action to verify the validity of any such authorization. Wave Shareholders that are corporations, trusts or estates should consult their own legal advisors in determining whether such authorization has been properly given.

**In order to make a provincial or territorial Tax Election (if applicable), two copies of the applicable Tax Election forms must be signed and properly completed with the necessary information, including the number of Wave Shares transferred, the consideration received therefor and the applicable elected amounts for the purposes of such elections, and must be received by CPEC at the address stated above no later than December 31, 2009.** CPEC will execute all properly completed Tax Election forms submitted to it by a Qualifying Wave Shareholder and will return such Tax Elections by mail to the shareholder, for filing with the appropriate tax authorities, on or before January 31, 2010.

CPEC is not required to sign Tax Election forms received after December 31, 2009 and thus any Qualifying Wave Shareholder who does not ensure that CPEC has received the completed Tax Election forms, each containing an original signature of the Qualifying Wave Shareholder, on or before December 31, 2009, may not be able to benefit from the provincial or territorial elections.

**PROCEDURE FOR COMPLETING PRESCRIBED FORM T2057**

The following section illustrates the information required to be provided by a Qualifying Wave Shareholder completing Form T2057. Please consult your advisor on the completion of any additional prescribed forms (such as Form T2058 and any applicable provincial or territorial tax forms).

Note: Do not write the required information on this letter of instructions. The information should be typed or legibly printed on the prescribed forms.

**Page 1 of Form T2057**

Complete the information in this first box for the Qualifying Wave Shareholder making the election:

Name of taxpayer (transferor) (print)				Social insurance number or Business Number				
Address				Postal code				
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office

The taxation year for individuals is January 1, 2009 to December 31, 2009.

Complete the information in this box if the Wave Shares are held in joint ownership, otherwise enter "N/A":

Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print)		Social insurance number
Address	Postal code	Tax services office

CPEC has partially completed the next section as follows:

Name of corporation (transferee) (print) Crescent Point Energy Corp.		Business Number 897480687
Address 2800, 111 – 5 <sup>th</sup> Avenue S.W., Calgary, AB		Postal code T2P 3Y6
Tax year of taxpayer for the period from	Year Month Day 2009 07 03	to Year Month Day 2009 12 31
Tax services office Calgary, Alberta		

Complete the last line of this section by filling in your name and telephone number or, if appropriate, the name and telephone number of your tax advisor:

Name of person to contact for additional information	Area code	Telephone number
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The final section on page 1 of Form T2057 relates to late-filed elections and is only applicable to Qualifying Wave Shareholders whose elections will be filed late.

**Page 2 of Form T2057**

CPEC has completed the answers to the first five questions as follows:

- 1 – Is there a written agreement relating to this transfer .....  Yes  No
- 2 – Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details) .....  Yes  No
- 3 – Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? .....  Yes  No
- 4 – Does a non-arm's length rollover exist between 2 or more corporations? .....  Yes  No
  - a) Have all or substantially all (90% or more) of all the properties of the corporations been transferred to the corporation?.....  Yes  No
- 5 – Is the taxpayer a non-resident of Canada?.....  Yes  No

Qualifying Wave Shareholders should answer the question 6 and 6(b) based on their particular circumstances:

- 6 – Are any of the properties transferred capital properties .....  Yes  No

Whether the Wave Shares are capital properties to a particular Qualifying Wave Shareholder is a question of fact and law that must be determined by each Qualifying Wave Shareholder based on a consideration of all the relevant facts and circumstances.

If Yes,

- (a) have they been owned continuously since Valuation-Day (V-Day - Dec 31,1971)? .....  Yes  No
- (b) have they been acquired after V-Day in a transaction considered not to be at arm's length?  Yes  No
- (c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends with respect to the shares transferred? (If yes, provide details of amounts and dates received and attach as a schedule) .....  Yes  No

Qualifying Wave Shareholders who hold their Wave Shares as capital property and acquired their Wave Shares in an arm's length transaction should check "No" in answer to question 6(b).

CPEC has completed the answers to the questions 7 and 8 as follows:

- 7 – Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? .....  Yes  No  
 a) If yes, does a formal documented V-Day value report exist? .....  Yes N/A  No
- 8 – Has an election under subsection 26(7) of the *Income Tax Act Application Rules* (Form T2076) been filed by or on behalf of the taxpayer? .....  Yes  No

CPEC has completed the final part of this section as follows:

Name of corporation (print) <b>Wave Energy Ltd.</b>	Business Number <b>136862679</b>	Paid-up capital of shares transferred <b>As calculated under s.85(2.1)</b>
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CPEC has partially completed the section titled “Description of shares received” at the bottom of page 2, to indicate that CPEC Shares are non-retractable voting common shares with no stated redemption value. Qualifying Wave Shareholders must complete the information in the two blank boxes in this section, as follows:

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up Capital	Voting or non-voting	Are shares retractable?
↓	Common	N/A	↓	Voting	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Enter the number of CPEC Shares received by the Qualifying Wave Shareholder on the sale.

Enter the amount added to paid-up capital, which will generally be equal to the "agreed amount" (as described below).

**Page 3 of Form T2057**

On the top line of this section, CPEC has entered the date on which it took up and paid for the Wave Shares:

Date of sale or transfer of all properties listed below:	Year	Month	Day	Note: For properties sold or transferred on different dates, use separate T2057's.
	2009	10	22	

If the Wave Shares were capital property of the Qualifying Wave Shareholder, complete the information in each column of this section (within the area designated by the sidebar title “Capital Property Excluding Depreciable Property”), according to the instructions referenced as follows:

Property Disposed of			Agreed Amount (cannot be zero) B	Amount to be reported B - A (If greater than 0 see Note 4)	Consideration Received		
Description	Elected Amount Limits				Non-share Description	Share Number and Class	Fair Market Value of Total Consideration
	Fair Market Value	A					
(1) Wave Energy Ltd. common shares	\$ (2)	\$ (3)	\$ (4)	\$ (5)	(6)	(7) Crescent Point Energy Corp. common	\$ (8)

- (1) Enter the number of Wave Shares sold.
- (2) Enter the total fair market value of Wave Shares sold, at the time of sale.
- (3) Enter the adjusted cost base (or cost amount in the case of inventory) of the Wave Shares.
- (4) Enter the total dollar amount which will be your deemed proceeds on sale of the Wave Shares, subject to the rules described below with respect to calculation of the agreed amount.
- (5) Enter the result of B minus A, if it is greater than \$0.

- (6) Leave this box blank.
- (7) Enter the number of CPEC Shares you received and their description as "Crescent Point Energy Corp. common shares".
- (8) Enter the total fair market value as at October 22, 2009 of the CPEC Shares received. The amount entered here should equal the amount entered in (2) above.

If the Wave Shares were inventory of the Qualifying Wave Shareholder, complete the above information within the area designated by the sidebar title "Inventory Excluding Real Property".

**Rules with Respect to Calculation of Agreed Amount**

Subject to the rules set out below, Qualifying Wave Shareholders who wish to avoid a capital gain must elect an *agreed amount* equal to the adjusted cost base of the Wave Shares (or cost amount, if the Wave Shares are inventory). Qualifying Wave Shareholders who wish to trigger a capital gain should select an agreed amount that is higher than the adjusted cost base. The *agreed amount* must be determined in accordance with the following rules:

- (1) The *agreed amount* may not be less than the lesser of: (i) the adjusted cost base (or cost amount, if the Wave Shares are inventory) to the Qualifying Wave Shareholder of the Qualifying Wave Shareholder's Wave Shares sold, determined immediately before the time of the sale, and (ii) the fair market value of the Wave Shares at that time.
- (2) The *agreed amount* may not exceed the fair market value of the Wave Shares at the time of the sale.

**Qualifying Wave Shareholders should consult their tax advisors regarding the selection of the agreed amount in respect of their Wave Shares.**

The Qualifying Wave Shareholder must sign and date Form T2057 in the last box on page 3 as indicated:

<b>Election and Certification</b>		
The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.		
_____ Signature of Transferor of Authorized Officer or Authorized Person*	and	_____ Signature of Authorized Officer of Transferee
		_____ Date
* attain a copy of an authorizing agreement	↑	↑

Qualifying Wave Shareholder should sign here

An authorized officer of CPEC has signed here.

**PROCEDURE FOR COMPLETING FORM T2058 AND/OR PROVINCIAL OR TERRITORIAL TAX ELECTION FORMS**

Qualifying Wave Shareholders completing Form T2058 and/or any applicable provincial or territorial tax forms (such as TP-518V or TP-529V) may refer to the instructions set out above, although the order of presentation of the information on the other forms may differ from that of Form T2057, and some of the required information may be different.