

CRESCENT POINT ENERGY TRUST

RENEWAL ANNUAL INFORMATION FORM

For the Year Ended December 31, 2005

Dated March 31, 2006



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NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual information form, the documents incorporated by reference herein, and other reports and filings made with the securities regulatory authorities include forward-looking statements. All forward-looking statements are based on our beliefs and assumptions based on information available at the time the assumption was made. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

In particular, this annual information form contains forward-looking statements pertaining, among other things, to the following:

- anticipated financial performance;
- business prospects;
- oil and natural gas production levels;
- capital expenditure programs;
- the quantity of the oil and natural gas reserves;
- projections of commodity prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development; and
- treatment under governmental regulatory regimes.

By its nature, such forward-looking information is subject to various rules and uncertainties, including those material risks discussed in the AIF under “Risk Factors” and in the MD&A under “Business Risks and Prospects”, which could cause our actual results and experience to differ materially from the anticipated results or other expectations expressed. The material assumptions in making these forward-looking statements are disclosed in the MD&A under the headings “Cash Distributions”, “Taxation of Cash Distributions”, “Capital Expenditures,” “Asset Retirement Obligation”, “Reclamation Fund”, “Liquidity and Capital Resources”, “Critical Account Estimates”, “New Accounting Pronouncements”, “Business Risk and Prospects” and “Outlook”.

Readers are cautioned not to place undue reliance on the forward-looking information, which is given as of the date it is expressed in this AIF or otherwise. We do not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws.

Information Incorporated by Reference

The Trust’s business acquisition report dated March 6, 2006 is incorporated herein by reference. A copy of such business acquisition report is available on www.sedar.com.

GLOSSARY

In this annual information form, the capitalized terms set forth below have the following meanings:

"1223360" means 1223360 Alberta Ltd., a corporation continued under the *Business Corporations Act* (Alberta).

"1223309" means 1223309 Alberta Ltd., a corporation continued under the *Business Corporations Act* (Alberta).

"Arrangement" means the plan of arrangement involving the Trust, Crescent Point Energy Ltd., Tappit Resources Ltd., StarPoint Energy Ltd. and Crescent Point Acquisition Ltd. made effective September 5, 2003, as more particularly described under the heading "*Our Organizational Structure – The Trust*".

"Bulldog" means Bulldog Energy Inc.

"Bulldog Arrangement" means the plan of arrangement involving Bulldog, Bulldog Resources Inc., Flatland Exploration Ltd., Helmsman Resources Ltd., the Trust, CPRL, and 1200881 Alberta Ltd. completed on November 29, 2005, as more particularly described under the heading "*General Development of the Business of the Trust - History*".

"CPC Trust" means Crescent Point Commercial Trust, a wholly-owned subsidiary of the Trust settled under the laws of the Province of Alberta.

"CPGP" means Crescent Point General Partner Corp., a wholly-owned subsidiary of the Trust.

"CPRL" means Crescent Point Resources Ltd., a corporation amalgamated under the *Business Corporations Act* (Alberta).

"Exchangeable Shares" means Series A Exchangeable Shares of CPRL.

"ExploreCo" means Bulldog Resources Inc.

"ExploreCo Assets" means the assets transferred, directly or indirectly, by Bulldog to ExploreCo coincident with the Bulldog Arrangement becoming effective.

"Limited Partnership" means Crescent Point Resources Limited Partnership, a limited partnership formed under the laws of the Province of Alberta, the partners of which are CPC Trust, New GPCo and CPGP.

"LP Assets" means all of the material oil and gas assets owned by Trust, and its subsidiaries, including (i) the assets transferred, directly or indirectly, by CPRL to the Limited Partnership immediately following the implementation of the Arrangement, which assets include, without limitation, all of CPRL's interest in certain assets in the Tatagwa area of Saskatchewan; and (ii) all assets acquired and retained by the Limited Partnership subsequent to the date of the Arrangement.

"New GPCo" means 1230698 Alberta Ltd., a corporation incorporated under the *Business Corporations Act* (Alberta).

"Note" means the unsecured, subordinate promissory note issued by CPRL to the Trust pursuant to the Arrangement;

"Notes" means the Note and any other notes issued pursuant to the terms of the note indenture dated September 5, 2003 between CPRL and Olympia Trust Company.

"Participating Note" means the participating note issued by CPC Trust to the Trust on January 6, 2004, as more fully described under "*Additional Information Respecting the Trust – The Participating Note*".

"Redemption Notes" means the promissory notes issuable by the Trust under the Trust Indenture having terms and conditions substantially similar to those of the Note.

"Restricted Unit Bonus Plan" means an incentive bonus compensation plan for eligible participants including directors, officers, employees and consultants of the Trust and its affiliates.

"Special Voting Rights" means the special voting rights of the Trust, issued and certified by the Trustee, and presently outstanding and entitled to the benefits and subject to the limitations set forth therein.

"Supplemental Trust Indenture" means the supplement trust indenture to the Trust Indenture dated December 15, 2005.

"Support Agreement" means the support agreement dated as of the effective date of the Arrangement between the Trust and CPRL.

“Tax Act” means the *Income Tax Act* (Canada) R.S.C. 1985, c.1 (5th Supp.), as amended;

“Trust” means Crescent Point Energy Trust, an unincorporated open ended investment trust governed by the laws of the Province of Alberta.

“Trust Indenture” means the amended and restated trust indenture dated as of January 6, 2004, between CPRL and Olympia Trust Company, as supplemented from time to time.

“Trust Units” means the trust units of the Trust.

“Trustee” means Olympia Trust Company, the initial trustee of the Trust, or such other trustee, from time to time, of the Trust.

“TSX” means the Toronto Stock Exchange.

“Unitholders” means holders of Trust Units.

“Voting and Exchange Trust Agreement” means the voting and exchange trust agreement dated as of the effective date of the Arrangement among the Trust, CPRL, Crescent Point Exchange Ltd. and Olympia Trust Company.

“Voting and Exchange Trust Agreement Trustee” means Olympia Trust Company, the initial trustee under the Voting and Exchange Trust Agreement, or such other trustee from time to time appointed thereunder.

In this annual information form, references to “dollars” and “\$” are to the currency of Canada, unless otherwise indicated.

SELECTED ABBREVIATIONS

In this annual information form, the abbreviations set forth below have the following meanings:

Oil and Natural Gas Liquids

bbl	Barrel
bbls	Barrels
Mbbls	thousand barrels
MMbbls	million barrels
Mstb	1,000 stock tank barrels
bbl/d	Barrels per day
NGLs	natural gas liquids
STB	standard tank barrels

Natural Gas

Mcf	thousand cubic feet
MMcf	million cubic feet
Mcf/d	thousand cubic feet per day
MMcf/d	million cubic feet per day
MMBTU	million British Thermal Units
Bcf	billion cubic feet
GJ	gigajoule

Other

API	American Petroleum Institute
° API	an indication of the specific gravity of crude oil measured on the API gravity scale. Liquid petroleum with a specified gravity of 28° API or higher is generally referred to as light crude oil
ARTC	Alberta Royalty Tax Credit
boe	barrel of oil equivalent of natural gas and crude oil on the basis of 1 boe for 6 (unless otherwise stated) Mcf of natural gas (this conversion factor is an industry accepted norm and is not based on either energy content or current prices)
boe/d	barrel of oil equivalent per day
m ³	cubic metres
Mboe	thousand barrels of oil equivalent
MMboe	Million barrels of oil equivalent
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade

CURRENCY OF INFORMATION

The information set out in this renewal annual information form is stated as at December 31, 2005 unless otherwise indicated. Capitalized terms used but not defined in the text are defined in the Glossary.

OUR ORGANIZATIONAL STRUCTURE

The Trust

Crescent Point Energy Trust (the “Trust” and, together with its direct and indirect subsidiaries and partnerships, where appropriate, “we”, “our” or “us”) is an open ended unincorporated investment trust governed by the laws of the Province of Alberta and created pursuant to a trust indenture dated as of July 22, 2003, amended and restated on August 27, 2003, amended and restated January 6, 2004, and amended pursuant to the Supplemental Trust Indenture dated December 15, 2005 between CPRL and Olympia Trust Company (the “Trust Indenture”). Our head and principal office is located at 3500, 150 – 6th Avenue S.W., Calgary, Alberta, T2P 2Y7 and our registered office is 3300, 421 7th Avenue S.W., Calgary, Alberta T2P 4K9.

As a result of the completion of a plan of arrangement (the “Arrangement”) involving the Trust, Crescent Point Energy Ltd. (“Crescent Point”), Tappit Resources Ltd. (“Tappit”), StarPoint Energy Ltd. (“Starpoint”) and Crescent Point Acquisition Ltd. on September 5, 2003, former holders of common shares of Crescent Point and Tappit received trust units of the Trust (“Trust Units”) or Exchangeable Shares of Crescent Point Resources Ltd. (“CPRL”), or a combination thereof, in accordance with the elections made by such holders, and Crescent Point and Tappit each became a subsidiary of the Trust. See “*Description of our Business - Reorganizations*”.

The principal undertakings of the Trust are to issue Trust Units and to acquire and hold debt and other interests. Our direct and indirect wholly-owned subsidiaries carry on the business of acquiring and holding interests in petroleum and natural gas properties and assets related thereto. The primary assets of the Trust are currently the Note, shares in CPRL and CPGP, units and debt in Crescent Point Commercial Trust (“CPC Trust”) and indirect interests in Crescent Point Resources Limited Partnership (the “Limited Partnership”). In addition, we continually review and assess numerous corporate and asset acquisition opportunities as part of our ongoing acquisition program.

We make monthly cash distributions to Unitholders from our net cash flow. Our primary sources of cash flow are payments from CPRL of interest on, and principal in respect of, the Note, the Participating Note other obligations of our subsidiaries.

Olympia Trust Company has been appointed as trustee under the Trust Indenture. The beneficiaries of the Trust are holders of the outstanding Trust Units. The principal and head office of Olympia Trust Company is located at 2300, 125 – 9th Avenue S.E., Calgary, Alberta, T2G 0P6.

CPRL

CPRL was formed on the amalgamation of Crescent Point Acquisition Ltd., Tappit and Crescent Point on September 5, 2003 pursuant to the Arrangement and is governed by the laws of the Province of Alberta. On January 6, 2004, following the completion of the acquisition of all of the issued and outstanding shares of Capio Petroleum Corporation (“Capio”), CPRL was amalgamated with Capio and 935247 Alberta Inc. The Trust is the sole holder of voting shares of CPRL.

The articles of CPRL were amended on December 25, 2005 to create two new classes of shares designated as Class B Non-Voting Common Shares and Class B Preferred Shares. The articles of CPRL were further amended on January 31, 2006 to create two new classes of shares designated as Class C Preferred Shares and Class D Preferred Shares. See “*Additional Information Respecting CPRL – Share Capital*”.

CPC Trust

CPC Trust is a commercial trust governed by the laws of the Province of Alberta. The Trust holds 100% of the issued and outstanding trust units of CPC Trust. In turn, CPC Trust holds an interest in the Limited Partnership.

Limited Partnership

The Limited Partnership is a limited partnership governed by the laws of the Province of Alberta. The limited partners of the Limited Partnership are CPC Trust and CPRL. The general partners of the Limited Partnership are CPGP and New GPCo, which hold interests in the Limited Partnership and, in the case of CPGP, certain other assets. The Limited Partnership owns the LP Assets, from which we derive a portion of our cash flow.

CPGP

CPGP, a wholly-owned subsidiary of the Trust, was incorporated under the laws of the Province of Alberta on July 22, 2003. CPGP acts as a general partner of the Limited Partnership and holds an interest in the Limited Partnership.

New GPCo

New GPCo, a wholly-owned subsidiary of CPRL, was incorporated on March 22, 2006 under the laws of Alberta. New GPCo holds a general partnership interest in the Limited Partnership.

1223309 and 1223360

1223309 and 1223360, each wholly-owned subsidiaries of CPGP, were incorporated as limited liability companies under the laws of Nova Scotia as 3120273 Nova Scotia Company and 3120272 Nova Scotia Company, respectively, on December 6, 2005 and were converted from unlimited liability companies to limited liability companies on March 3, 2006. 1223309 and 1223360 were continued into Alberta on March 15, 2006 as 1223309 Alberta Ltd. and 1223360 Alberta Ltd.

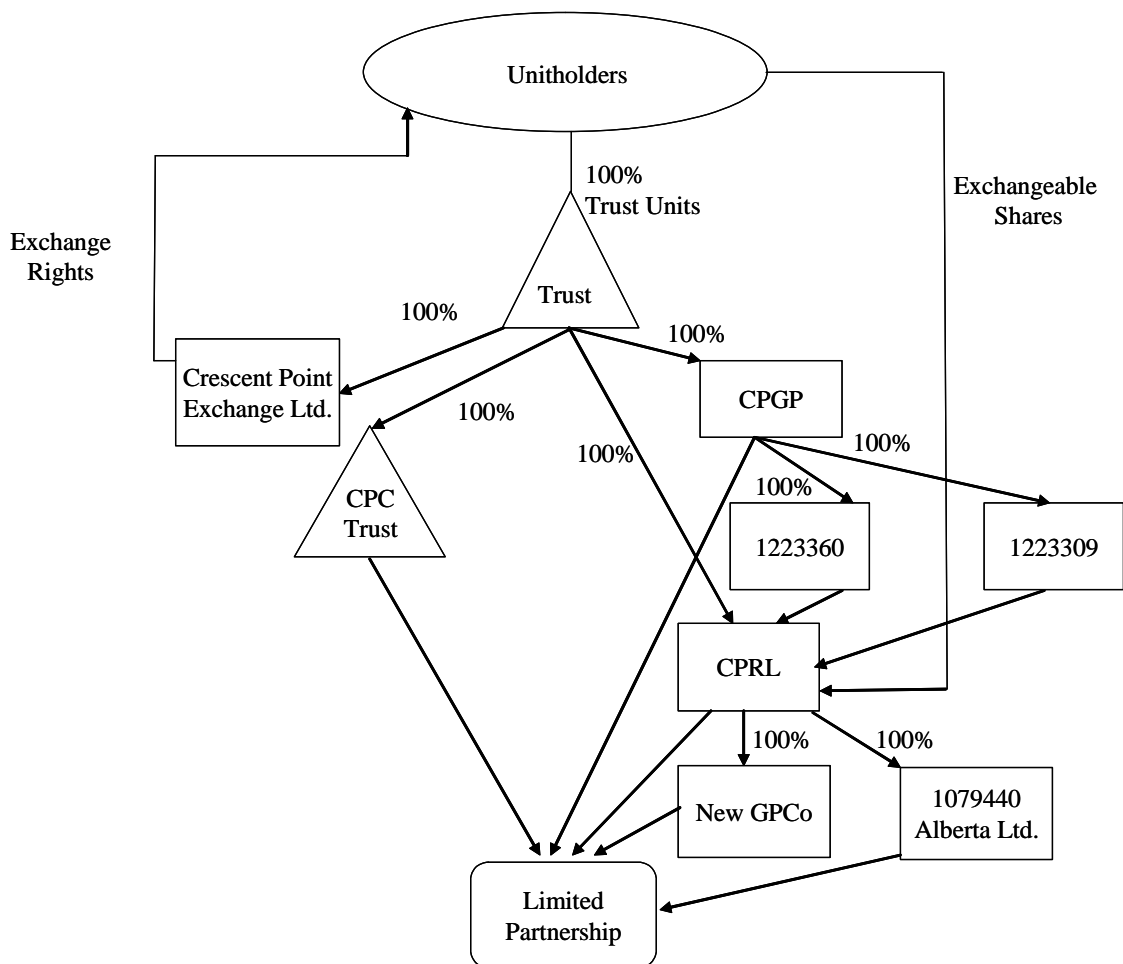
Intercorporate Relationships

The following table provides the name, the percentage of voting securities owned by the Trust and the jurisdiction of incorporation, continuance or formation of the Trust's material subsidiaries as at the date hereof.

	Percentage of voting securities (directly or indirectly)	Jurisdiction of Incorporation/ Formation
CPRL	100%	Alberta
CPGP	100%	Alberta
CPC Trust	100%	Alberta
Crescent Point Exchange Ltd.	100%	Alberta
Crescent Point Resources Limited Partnership	100%	Alberta
New GPCo	100%	Alberta
1223309	100%	Alberta
1223360	100%	Alberta

Organizational Structure of the Trust

The following diagram describes the intercorporate relationships among the Trust and its direct and indirect subsidiaries described above as at March 31, 2006. Reference should be made to the appropriate sections of this Annual Information Form for a complete description of the structure of the Trust.



Notes:

- (1) The Unitholders own 100% of the equity of the Trust.
- (2) CPRL had a total of 985,077 Exchangeable Shares issued and outstanding as of March 22, 2006. See also “*Additional Information Respecting the Trust - Description of the Trust Units*”.
- (3) Cash distributions are made on a monthly basis to Unitholders based upon the Trust’s cash flow. The Trust’s primary sources of cash flow are payments from CPRL of interest on, and principal in respect of, the Note, the Participating Note and payments in respect of other obligations granted by its subsidiaries. Prepayments in respect of principal on the Note and the Participating Note may be made from time to time by CPRL to the Trust before the maturity of the Note.
- (4) The Trust has filed an undertaking with the applicable securities authorities in accordance with Part 3.1 and 3.4 of National Policy 41-201 to treat CPGP and CPC Trust (and certain other subsidiaries) as subsidiaries of the Trust, or if accounting principles prohibit the consolidation of financial information, then to provide certain financial statements for the Trust’s subsidiaries and the Trust will take appropriate measures to require each person who would be an insider to file insider reports about trades in Trust Units of the Trust.

GENERAL DEVELOPMENT OF THE BUSINESS OF THE TRUST

History

The following is a description of the general development of the business of the Trust and of Crescent Point over the past three years.

2003

In January 2003, Crescent Point completed: (i) a private placement of 2,360,000 special warrants at an issue price of \$4.25 per special warrant for gross proceeds of \$10.03 million; and (ii) a \$21.50 million acquisition of more than 1,000 boe/d of operated, heavy crude oil (950 bbls/d) and natural gas (900 Mcf/d) production in the Little Bow area of southeast Alberta. The effective date of the Little Bow acquisition was October 1, 2002. Crescent Point financed the acquisition through its existing credit facilities.

On September 5, 2003, Crescent Point and Tappit completed the Arrangement as described below under the heading “*Description of Our Business – Reorganizations*”.

On November 24, 2003, we adopted a Premium Distribution, Distribution Reinvestment and Optional Unit Purchase Plan as described below under the heading “*Additional Information Respecting The Trust – Premium Distribution, Distribution Reinvestment and Optional Unit Purchase Plan*”.

On December 10, 2003, we completed a public offering of 2,650,000 Trust Units at a price of \$12.00 per Trust Unit, for gross proceeds of \$31.80 million. We used the net proceeds of the issue for general corporate and trust purposes, debt reduction and the funding of our ongoing capital expenditures.

On December 18, 2003, CPRL mailed an offer to acquire all of the issued and outstanding shares of Capió, a private Alberta-based oil and gas company, at a price of \$4.05 in cash per share.

2004

On January 6, 2004, we completed a public offering of 5,150,000 Trust Units at a price of \$12.75 per Trust Unit, for gross proceeds of \$65.66 million. We used the net proceeds of the issue for the acquisition of Capió.

On January 6, 2004, CPRL acquired all of the outstanding shares of Capió for total consideration of \$82.71 million (comprised of \$76.90 million in cash and the assumption of \$5.81 million of working capital deficiency). The acquisition of Capió added approximately 1,750 boe/d and 3.8 MMboe of proved reserves and 5.3 MMboe of proved plus probable reserves to our production base, as evaluated by GLJ using the reserve parameters of NI 51-101. Focused in 3 major properties, Doe, Whitecourt and Berry, Capió's assets were, at the time of acquisition, 100% operated, weighted 85% to natural gas and characterized by high netbacks of over \$22.00 per boe and low operating costs of under \$3.00 per boe. With the acquisition, over 30 low risk infill drill locations were added to our inventory of development opportunities.

On January 6, 2004, following the completion of the acquisition of all of the issued and outstanding shares of Capió, CPRL was amalgamated with Capió and 935247 Alberta Inc. The Trust is the sole holder of voting shares of CPRL.

On March 26, 2004, we announced the appointment of Mr. Gerald A. Romanzin to the board of directors of CPRL.

On June 29, 2004, the Limited Partnership entered into an agreement with an Alberta based limited partnership, a subsidiary of an Alberta based publicly traded income trust, providing for the purchase by the Limited Partnership of certain oil and gas properties located in our core southeast Saskatchewan operating corridor. The acquisition closed on August 24, 2004, with an effective date of June 1, 2004. The Limited Partnership paid \$33.05 million in cash for the properties. The purchase price was financed by a draw down from our credit facility.

On July 26, 2004, Mr. David Balutis was promoted to Vice President, Geosciences.

On August 6, 2004, the Limited Partnership completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation. The properties are focused in the Loughheed, Tatagwa South and Weyburn areas of Saskatchewan, which are located adjacent to the Trust's operated property in Tatagwa. The Limited Partnership paid \$22.86 million in cash for the properties. The purchase price was financed by a draw down from our credit facility.

On August 23, 2004, we announced that Mr. Greg Tisdale had agreed to join us as Chief Financial Officer and Ms. Tamara MacDonald had agreed to join us as Land Manager. See “*Additional Information Respecting CPRL – Directors and Officers*”.

On September 9, 2004, we completed a public offering of 3,000,000 Trust Units at a price of \$15.00 per Trust Unit, for gross proceeds of \$45 million. We used the net proceeds of the issue for debt reduction and for general corporate and trust purposes.

On September 30, 2004, the Limited Partnership completed the acquisition of certain oil and gas properties in the Edenvale area of Saskatchewan and Manitoba from a Manitoba based private oil and gas company for cash consideration of \$8.84 million.

On November 10, 2004, Mr. Scott Saxberg was promoted to Chief Executive Officer.

On November 25, 2004, the Trust announced the closing of a property acquisition of approximately 370 bbl/d of high netback, light oil production in its core Sounding Lake property with an effective date of November 1, 2004. The purchase price of \$14.19 million was funded through our existing credit facility.

2005

On May 13, 2005, we announced the appointment of Mr. Peter Bannister as the Chairman of the board of directors of CPRL, replacing Paul Colborne. See “*Additional Information Respecting CPRL – Directors and Officers*”.

On May 13, 2005, we announced the appointment of Mr. Ken Lamont as Controller and Treasurer of CPRL. See “*Additional Information Respecting CPRL – Directors and Officers*”.

On March 31, 2005, Crescent Point Energy Partnership and the Limited Partnership completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation, with an effective date of February 1, 2005. The properties are focused in the Storthoaks, Ingoldsby and Manor areas of southeast Saskatchewan. Crescent Point Energy Partnership and the Limited Partnership paid \$18 million in cash for the properties. The purchase price was financed by a draw down from our credit facility.

On April 21, 2005, we completed a public offering of 3,930,000 Trust Units at a price of \$19.10 per Trust Unit, for gross proceeds of \$75.06 million. We used the net proceeds of the issue for the acquisition of Red Springs, to reduce bank indebtedness and for general corporate and trust purposes.

On May 6, 2005, CPRL completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation, with an effective date of January 1, 2005. The properties are focused in the Redsprings area of Alberta, which is located adjacent to the Trust’s core John Lake property in Alberta. The Trust paid \$48 million in cash for the properties. The purchase price was financed out of proceeds from the Trust’s public offering of 3,930,000 Trust Units on April 21, 2005.

On June 22, 2005, the Limited Partnership completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation, with an effective date of June 1, 2005. The properties are focused in the Ingoldsby area of Saskatchewan, which is located within the Trust’s primary operating area in southeast Saskatchewan. The Limited Partnership paid \$28.5 million in cash for the properties. The purchase price was financed by a draw down from our credit facility.

On July 26, 2005, CPGP completed the acquisition of certain oil and gas properties from a private consortium, with an effective date of May 1, 2005. The properties are focused in the Glen Ewen area of Saskatchewan, which is located within the Trust’s operating area of Glen Ewen in southeast Saskatchewan. CPGP paid \$47.75 million in cash for the properties. The purchase price was financed out of a treasury issuance of 2,000,000 Trust Units and a cash draw down from our credit facility in the amount of \$11.45 million.

On September 13, 2005, CPGP completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation. The properties are focused in the Tatagwa area of Saskatchewan, which is located within the Trust’s core Tatagwa property in southeast Saskatchewan. CPGP paid \$5.2 million in cash for the properties. The purchase price was financed out of a treasury issuance of 235,000 Trust Units and cash consideration of approximately \$650,000.

On September 14, 2005, we announced the appointment of Ms. Tamara MacDonald to Vice President, Land effective October 1, 2005.

On October 28, 2005, the Limited Partnership and CPGP completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation, with an effective date of September 1, 2005. The properties are focused in the Tatagwa, Weyburn and Minton areas of Saskatchewan, which is located within the Trust’s core Tatagwa property in southeast Saskatchewan. CPRL and CPGP paid \$37.75 million in cash for the properties. The purchase price was financed by a draw down from our credit facility.

On November 29, 2005, Crescent Point and Bulldog completed the Bulldog Arrangement as described below under the heading “*Description of Our Business - Reorganizations*”.

On December 29, 2005, we completed a public offering of 10,406,000 Subscription Receipts at a price of \$21.15 per Subscription Receipt, for gross proceeds of approximately \$220.09 million. We used the net proceeds of the issue to partially finance the Cantuar/Batrum Acquisition (as defined herein).

2006

On January 3, 2006, CPGP and the Limited Partnership completed the acquisition of certain oil and gas properties from an Alberta based oil and gas trust, with an effective date of June 1, 2005. The properties are focused in the Rosebank area of Saskatchewan, which is located within the Trust’s core operated southeast Saskatchewan group of properties. CPGP and the Limited Partnership paid \$27.5 million in cash for the properties. The purchase price was financed by a draw down from our credit facility.

On January 9, 2006, CPGP and the Limited Partnership completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation, with an effective date of November 1, 2005 (the “Cantuar/Battrum Acquisition”). The properties are focused in the Cantuar and Battrum areas of southwestern Saskatchewan. CPGP and the Limited Partnership paid \$257 million in cash for the properties. The purchase price was financed out of proceeds from the Trust’s public offering of 10,406,000 Subscription Receipts on December 29, 2005 and a draw down from our credit facility.

On January 9, 2006, the 10,406,000 Subscription Receipts issued pursuant to the offering on December 29, 2005 were exchanged for an equal number of Trust Units.

On February 6, 2006, CPGP and the Limited Partnership completed the acquisition of certain oil and gas properties from an Alberta based oil and gas corporation, with an effective date of January 1, 2006. These properties are focused largely in the Worsley area of northwestern Alberta. CPGP and the Limited Partnership paid approximately \$55 million for the properties, comprised of \$11 million in cash and the issuance of 2,080,379 Trust Units. The cash portion of the purchase price was financed through a draw down from our credit facility.

The Trust also completed two small, strategic acquisitions comprised of light oil and natural gas producing assets for a total consideration of approximately \$16 million. These two asset acquisitions further consolidated Crescent Point’s Ingoldsby southeast Saskatchewan area for combined production of 370 boe/d. The Acquisitions closed on February 23, 2006 and March 1, 2006 and were funded through cash from the Trust’s existing bank lines.

On March 27, 2006, the Trust and Canex Energy Inc. (“Canex”) announced that their respective boards of directors had unanimously approved a proposal pursuant to which the Trust will acquire, by way of Plan of Arrangement all of Canex’s issued and outstanding shares in exchange for a combination of Trust Units, cash and assumed debt for a total purchase price of approximately \$85.6 million or \$2.77 per Canex share. The Plan of Arrangement is expected to be completed prior to May 31, 2006.

On December 30, 2005, January 28, 2006 and March 31, 2006, the Trust completed certain internal reorganization transactions including the Trust and certain of its subsidiaries. As a result of these transactions, all the material oil and gas assets of the Trust now rest in the Limited Partnership and Crescent Point Energy Partnership has been wound up into the Limited Partnership.

DESCRIPTION OF OUR BUSINESS

General

The principal undertakings of the Trust are to issue Trust Units and to acquire and hold debt and other investment interests. Our direct and indirect wholly-owned subsidiaries carry on the business of acquiring and holding interests in petroleum and natural gas properties and assets related thereto. The primary assets of the Trust are currently the Note, shares in CPRL and CPGP, units and debt in CPC Trust, indirect interests in the Limited Partnership and other debt service obligations granted by our subsidiaries. In addition, we continually review and assess numerous corporate and asset acquisition opportunities as part of our ongoing acquisition program.

The crude oil and natural gas properties and related assets generating income for the benefit of the Trust are located in the provinces of Alberta, Saskatchewan, British Columbia and Manitoba. The properties and assets consist of producing crude oil and natural gas reserves and proven plus probable crude oil and natural gas reserves not yet on production.

We make monthly cash distributions to Unitholders from our net cash flow. Our primary sources of cash flow are payments from CPRL of interest on, and principal in respect of, the Note, payments in respect of other obligations granted by our subsidiaries.

Strategy

We strive to create sustainable, value-added growth in reserves, production and cash flow through the execution of management’s integrated strategy of acquiring, exploiting and developing high quality, long life, light oil and natural gas properties.

We continually investigate and search out producing properties that will result in meaningful reserve and production additions. We focus capital on higher-quality, longer-life reservoirs in proven growth areas that offer existing infrastructure, low cost drilling, multi-zone potential and year round access. Our goal is to acquire operational control of those properties that we believe offer significant exploitation and development potential.

We develop our properties through a detailed technical analysis of information including reservoir characteristics, original oil or gas in place, recovery factors and the applicability of enhanced recovery techniques. Our goal is to increase reserves and production in a cost effective

manner through a number of techniques, including drilling infill and step-out wells, re-completing existing wells and implementing waterflood or pressure support schemes.

Risk Management and Marketing

Factors outside our control impact, to varying degrees, the prices we receive for production and the associated operating expenses we incur. These include but are not limited to:

- (a) world market forces, including the ability of the OPEC to set and maintain production levels and prices for crude oil;
- (b) political conditions, including the risk of hostilities in the Middle East and other regions throughout the world;
- (c) increases or decreases in crude oil quality differentials and their implications for prices received by us on the portion of our oil production that is medium gravity crude;
- (d) the impact of changes in the exchange rate between Canadian and U.S. dollars on prices received by us for our crude oil and natural gas;
- (e) North American market forces, most notably shifts in the balance between supply and demand for crude oil and natural gas and the implications for the price of crude oil and natural gas;
- (f) global and domestic economic and weather conditions;
- (g) price and availability of alternative fuels; and
- (h) the effect of energy conservation measures and government regulations.

Fluctuations in commodity prices, quality differentials and foreign exchange and interest rates, among other factors, are outside of our control and yet can have a significant impact on the level of cash we have available for distribution to Unitholders.

To mitigate a portion of these risks, we actively initiate, manage and disclose the effects of our hedging activities. Our strategy for crude oil and natural gas production is to hedge up to 50% of our existing production, after crown royalties, on a rolling three year basis, at the discretion of management. All hedging activities are regularly reviewed by the board of directors of CPRL.

As part of our risk-management strategy in 2005, total oil and gas hedged was approximately 41% of annual production, net of royalties, of which approximately 55% of annual crude oil production and approximately 0% of annual natural gas production was hedged, net of royalties. The hedging strategies we utilized included both physical and financial instruments, with our primary objective being to enhance the stability of cash distributions. The following table summarizes our commitments under all hedging agreements as at February 22, 2006.

Financial WTI Crude Oil Contracts

Term	Volume (bbls/d)	Average Swap Price (\$Cdn/bbl)	Average Bought Put Price (\$Cdn/bbl)	Average Sold Call Price (\$Cdn/bbl)
January 1, 2006 to December 31, 2006	6,125	54.66	69.13	72.23
January 1, 2007 to December 31, 2007	5,250	72.04	67.77	79.41
January 1, 2008 to December 31, 2008	2,500	72.53	67.01	82.00

During 2005, we were also party to three interest rate swaps with third party banks. The first swap was at 4.2% on \$8 million of debt, which expired on February 15, 2005. The second swap was at 4.03% on \$12 million of debt, which expired on March 4, 2005. The third swap was at 3.01% on \$50 million of debt, for the period May 25, 2005 to May 26, 2006.

Beyond the hedging strategy, we also mitigate risk by having a well diversified marketing portfolio for natural gas and by transacting with a number of counterparties to limit our exposure to any one counterparty. The majority of our natural gas volumes are sold into the Alberta,

British Columbia and Saskatchewan index priced markets with terms of one year or less. Approximately 76% of our natural gas volumes are sold into the Alberta market, 15% into the British Columbia market and 9% into the Saskatchewan market.

In addition to these noted risk-management practices, while our portfolio of assets is weighted to crude oil and NGL reserves, a significant portion of our portfolio consists of natural gas reserves. Because oil and gas price cycles do not necessarily coincide, such a balance often provides a natural mitigation of price risk.

For 2005, our commodity mix was approximately 76% oil and NGLs and 24% natural gas. We realized hedge losses of approximately \$32.9 million in 2005.

Revenue Sources

For the year ended December 31, 2005, 24% of the revenue from our properties before hedging and royalties was derived from natural gas and 76% from crude oil and natural gas liquids.

For the year ended December 31, 2004, 29% of the revenue from our properties before hedging and royalties was derived from natural gas and 71% from crude oil and natural gas liquids.

Competition

We actively compete for reserve acquisitions, exploration leases, licences and concessions and skilled industry personnel with a substantial number of other oil and gas companies, many of which have significantly greater financial resources than us. Our competitors include major integrated oil and natural gas companies, numerous other independent oil and natural gas companies and trusts and individual producers and operators.

Certain of our customers and potential customers are themselves exploring for oil and natural gas, and the results of such exploration efforts could affect our ability to sell or supply oil or gas to these customers in the future. Our ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent upon developing and maintaining close working relationships with our future industry partners and joint operators and our ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment.

Seasonal Factors

The development of oil and natural gas reserves is dependent on access to areas where production is to be conducted. Seasonal weather variations, including freeze-up and break-up, affect access in certain circumstances.

Personnel

As at December 31, 2005, we had 41 full-time employees, 6 part-time employees and 9 consultants at our head office and 6 full-time field staff.

Reorganizations

On September 5, 2003, we completed the Arrangement whereby holders of Class A Shares and Class B Shares of Crescent Point and holders of common shares of Tappit (collectively the "Shares") elected, or were deemed to have elected, to receive either Trust Units or Exchangeable Shares for their Shares on the basis 0.50, 0.75 and 0.19 of a Trust Unit or Exchangeable Share, respectively, for each Share held. Tappit shareholders also received cash in the amount of \$0.36 per Tappit common share. Concurrent with the Arrangement becoming effective, Crescent Point's exploration assets were acquired by StarPoint and the common shares of StarPoint were distributed to the former holders of Shares on the basis of 0.50, 0.75 and 0.10 of a common share of StarPoint, respectively, for each such Share held.

On November 29, 2005, we completed the Bulldog Arrangement whereby we acquired all of Bulldog's issued and outstanding Class A and Class B Shares in exchange for Trust Units of the Trust. Bulldog Class A shares were exchanged for 0.13 of a Trust Unit. Concurrent with the Arrangement, each issued and outstanding Class B share was converted into a Class A share and the Class A shares were then exchanged for Trust Units of the Trust in accordance with the above mentioned exchange ratios. In addition, Bulldog shareholders were entitled to receive one common share of ExploreCo for each Bulldog Class A share held.

Social and Environmental Policies

During the second quarter of 2004, we established a reclamation fund to provide for future asset retirement costs. Effective July 1, 2004 through March 31, 2005, we contributed \$0.15 per barrel of production, as well as a lump-sum contribution in the amount of \$250,000, to the reclamation fund. From April 1, 2005 to December 31, 2005, we contributed \$0.20 per barrel of production, as well as lump-sum contributions in the amount of \$200,000 to the reclamation fund.

Additionally, contributions are made at the discretion of management. Contributions to the reclamation fund and interest earned on the reclamation fund balance have been deducted from the cash distribution to the Unitholders and cash withheld to fund current period capital expenditures and repay bank indebtedness.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

Disclosure of Reserves Data

In accordance with National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities, GLJ Petroleum Consultants (“GLJ”) prepared a report (the “GLJ Report”) dated December 31, 2005. The GLJ Report evaluated, as at December 31, 2005, our crude oil, NGL and natural gas reserves. The tables below are a summary of our crude oil, NGL and natural gas reserves and the net present value of future net revenue attributable to such reserves as evaluated in the GLJ Report based on constant and forecast price and cost assumptions. The tables summarize the data contained in the GLJ Report and, as a result, may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly.

The net present value of future net revenue attributable to our reserves is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties, production costs, capital taxes, development costs, other income, future capital expenditures, and well abandonment costs for only those wells assigned reserves by GLJ. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to our reserves estimated by GLJ represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of our crude oil, NGL and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual reserves may be greater than or less than the estimates provided herein.

The GLJ Report is based on certain factual data supplied by us and GLJ's opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to our petroleum properties and contracts (except for certain information residing in the public domain) were supplied by us to GLJ and accepted without any further investigation. GLJ accepted this data as presented and neither title searches nor field inspections were conducted.

Reserves Data – Constant Prices and Costs

Summary of Oil and Gas Reserves

	Gross Reserves					Net Reserves				
	Light and Medium Crude Oil	Heavy Crude Oil	NGLs	Natural Gas	Total	Light and Medium Crude Oil	Heavy Crude Oil	NGLs	Natural Gas	Total
	(Mbbbls)	(Mbbbls)	(Mbbbls)	(MMcf)	(Mboe)	(Mbbbls)	(Mbbbls)	(Mbbbls)	(MMcf)	(Mboe)
Proved										
Developed Producing	20,280	1,684	173	23,001	25,970	17,203	1,540	141	18,445	21,959
Developed Non-Producing	233	53	31	1,994	649	207	49	20	1,426	513
Undeveloped	5,248	49	35	2,804	5,799	4,541	45	32	2,375	5,014
Total Proved	25,761	1,785	238	27,799	32,418	21,951	1,634	193	22,246	27,486
Probable	12,118	339	98	11,790	14,519	10,418	307	79	9,437	12,377
Total Proved plus Probable	37,879	2,124	336	39,590	46,937	32,369	1,941	272	31,683	39,863

Net Present Value of Future Net Revenue of Oil and Gas Reserves

	Before Future Income Tax Expenses and Discounted at	
	0%	10%
	(M\$)	(M\$)
Proved		
Developed Producing	675,072	472,123
Developed Non-Producing	17,431	12,604
Undeveloped	139,658	80,444
Total Proved	832,161	565,171
Probable	384,014	190,164
Total Proved plus Probable	1,216,174	755,335

Additional Information Concerning Future Net Revenue – (Undiscounted)

	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenue Before Income Taxes
	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)
Total Proved	1,797,427	339,543	499,174	102,154	24,395	832,161
Total Proved plus Probable	2,616,162	486,948	721,635	162,328	29,077	1,216,174

Future Net Revenue by Production Group

		Future Net Revenue Before Income Taxes (Discounted at 10%) (M\$)
Proved	Light and Medium Crude Oil	457,483
	Heavy Crude Oil	27,492
	Natural Gas	80,195
	Total	565,171
Proved Plus Probable	Light and Medium Crude Oil	617,570
	Heavy Crude Oil	30,708
	Natural Gas	107,057
	Total	755,335

Reserves Data – Forecast Prices and Costs

Summary of Oil and Gas Reserves

	Gross Reserves					Net Reserves				
	Light and Medium Crude Oil	Heavy Crude Oil	NGLs	Natural Gas	Total	Light and Medium Crude Oil	Heavy Crude Oil	NGLs	Natural Gas	Total
	(Mbbbls)	(Mbbbls)	(Mbbbls)	(MMcf)	(Mboe)	(Mbbbls)	(Mbbbls)	(Mbbbls)	(MMcf)	(Mboe)
Proved										
Developed Producing	20,721	1,772	174	22,496	26,415	17,637	1,624	143	18,003	22,403
Developed Non-Producing	230	49	31	1,992	642	204	45	20	1,421	506
Undeveloped	5,282	49	35	2,771	5,828	4,578	45	32	2,346	5,047
Total Proved	26,233	1,870	240	27,259	32,886	22,419	1,714	195	21,770	27,957
Probable	12,524	385	104	11,863	14,990	10,800	353	84	9,504	12,821
Total Proved plus Probable	38,757	2,255	344	39,122	47,876	33,219	2,068	279	31,275	40,778

Net Present Value of Future Net Revenue of Oil and Gas Reserves

	Before Future Income Tax Expenses and Discounted at				
	0%	5%	10%	15%	20%
	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)
Proved					
Developed Producing	633,940	509,386	436,663	387,105	350,387
Developed Non-Producing	14,546	12,397	10,808	9,584	8,613
Undeveloped	113,068	83,804	64,182	50,343	40,184
Total Proved	761,555	605,587	511,652	447,032	399,185
Probable	374,769	230,629	164,264	126,276	101,727
Total Proved plus Probable	1,136,324	836,216	675,916	573,307	500,912

Additional Information Concerning Future Net Revenue – (Undiscounted)

	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenue Before Income Taxes
	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)
Total Proved	1,733,314	317,981	525,979	102,965	24,834	761,555
Total Proved plus Probable	2,568,749	461,293	778,328	162,977	29,828	1,136,324

Future Net Revenue by Production Group

		Future Net Revenue Before Income Taxes (Discounted at 10%) (M\$)
Proved	Light and Medium Crude Oil	412,191
	Heavy Crude Oil	29,552
	Natural Gas	69,908
	Total	511,652
Proved Plus Probable	Light and Medium Crude Oil	552,372
	Heavy Crude Oil	33,176
	Natural Gas	90,368
	Total	675,916

Notes and Definitions

In the tables set forth above in “*Disclosure of Reserves Data*” and elsewhere in this Annual Information Form, the following notes and other definitions are applicable.

Reserve Categories

The determination of oil and gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved, probable and possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery.

The estimation and classification of reserves requires the application of professional judgment combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions.

- (a) “**Reserves**” are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on (a) analysis of drilling, geological, geophysical, and engineering data; (b) the use of established technology; and (c) specified economic conditions, which are generally accepted as being reasonable and shall be disclosed. Reserves are classified according to the degree of certainty associated with the estimates.
- (b) “**Proved**” reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
- (c) “**Developed Producing**” reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
- (d) “**Developed Non-Producing**” reserves are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.
- (e) “**Undeveloped**” reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the

requirements of the reserves classification (proved, probable, possible) to which they are assigned. In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to sub-divide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

- (f) **“Probable”** reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserve entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest level sum of individual entity estimates for which reserves are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- At least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- At least a 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates will be prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional Definitions

The following terms, used in the preparation of the GLJ Report (as defined herein) and this Annual Information Form, have the following meanings:

- (a) **“associated gas”** means the gas cap overlying a crude oil accumulation in a reservoir.
- (b) **“constant prices and costs”** means prices and costs used in an estimate that are:
- (i) the Trust's prices and costs as at the effective date of the estimation, held constant throughout the estimated lives of the properties to which the estimate applies;
 - (ii) if, and only to the extent that, there are fixed or presently determinable future prices or costs to which the Trust is legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs rather than the prices and costs referred to in paragraph (i).

For the purpose of paragraph (i), the Trust's prices will be the posted price for oil and the spot price for gas, after historical adjustments for transportation, gravity and other factors.

- (c) **“crude oil”** or **“oil”** means a mixture that consists mainly of pentanes and heavier hydrocarbons, which may contain sulphur and other non-hydrocarbon compounds, that are recoverable at a well from an underground reservoir and that is liquid at the conditions under which its volume is measured or estimated. It does not include solution gas or natural gas liquids.
- (d) **“development costs”** means costs incurred to obtain access to reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas from the reserves. More specifically, development costs, including applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:
- (i) gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines and power lines, to the extent necessary in developing the reserves;
 - (ii) drill and equip development wells, development type stratigraphic test wells and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment and the wellhead assembly;

- (iii) acquire, construct and install production facilities such as flow lines, separators, treaters, heaters, manifolds, measuring devices and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems; and
 - (iv) provide improved recovery systems.
- (e) “**development well**” means a well drilled inside the established limits of an oil or gas reservoir, or in close proximity to the edge of the reservoir, to the depth of a stratigraphic horizon known to be productive.
- (f) “**exploration costs**” means costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects that may contain oil and gas reserves, including costs of drilling exploratory wells and exploratory type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as “prospecting costs”) and after acquiring the property. Exploration costs, which include applicable operating costs of support equipment and facilities and other costs of exploration activities, are:
- (i) costs of topographical, geochemical, geological and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews and others conducting those studies (collectively sometimes referred to as “geological and geophysical costs”);
 - (ii) costs of carrying and retaining unproved properties, such as delay rentals, taxes (other than income and capital taxes) on properties, legal costs for title defence, and the maintenance of land and lease records;
 - (iii) dry hole contributions and bottom hole contributions;
 - (iv) costs of drilling and equipping exploratory wells; and
 - (v) costs of drilling exploratory type stratigraphic test wells.
- (g) “**exploratory well**” means a well that is not a development well, a service well or a stratigraphic test well.
- (h) “**field**” means an area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition. There may be two or more reservoirs in a field that are separated vertically by intervening impervious strata or laterally by local geologic barriers, or both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms “structural feature” and “stratigraphic condition” are intended to denote localized geological features, in contrast to broader terms such as “basin”, “trend”, “province”, “play” or “area of interest”.
- (i) “**future prices and costs**” means future prices and costs that are:
- (i) generally accepted as being a reasonable outlook of the future;
 - (ii) if, and only to the extent that, there are fixed or presently determinable future prices or costs to which the Trust is legally bound by a contractual or other obligation to supply a physical product, including those for an extension period of a contract that is likely to be extended, those prices or costs rather than the prices and costs referred to in paragraph (i).
- (j) “**future income tax expenses**” means future income tax expenses estimated (generally, year-by-year):
- (i) making appropriate allocations of estimated unclaimed costs and losses carried forward for tax purposes, between oil and gas activities and other business activities;
 - (ii) without deducting estimated future costs (for example, Crown royalties) that are not deductible in computing taxable income;
 - (iii) taking into account estimated tax credits and allowances (for example, royalty tax credits); and
 - (iv) applying to the future pre-tax net cash flows relating to the Trust's oil and gas activities the appropriate year-end statutory tax rates, taking into account future tax rates already legislated.

- (k) **“future net revenue”** means the estimated net amount to be received with respect to the development and production of reserves (including synthetic oil, coal bed methane and other non-conventional reserves) estimated using constant prices and costs or forecast prices and costs.
- (l) **“gross”** means:
 - (i) in relation to the Trust's interest in production or reserves, its “company gross reserves”, which are its working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the Trust;
 - (ii) in relation to wells, the total number of wells in which the Trust has an interest; and
 - (iii) in relation to properties, the total area of properties in which the Trust has an interest.
- (m) **“natural gas”** means the lighter hydrocarbons and associated non-hydrocarbon substances occurring naturally in an underground reservoir, which under atmospheric conditions are essentially gases but which may contain natural gas liquids. Natural gas can exist in a reservoir either dissolved in crude oil (solution gas) or in a gaseous phase (associated gas or non-associated gas). Non-hydrocarbon substances may include hydrogen sulphide, carbon dioxide and nitrogen.
- (n) **“natural gas liquids”** means those hydrocarbon components that can be recovered from natural gas as liquids including, but not limited to, ethane, propane, butanes, pentanes plus, condensate and small quantities of non-hydrocarbons.
- (o) **“net”** means:
 - (i) in relation to the Trust's interest in production or reserves its working interest (operating or non-operating) share after deduction of royalty obligations, plus its royalty interests in production or reserves;
 - (ii) in relation to the Trust's interest in wells, the number of wells obtained by aggregating the Trust's working interest in each of its gross wells; and
 - (iii) in relation to the Trust's interest in a property, the total area in which the Trust has an interest multiplied by the working interest owned by the Trust.
- (p) **“non-associated gas”** means an accumulation of natural gas in a reservoir where there is no crude oil.
- (q) **“operating costs”** or **“production costs”** means costs incurred to operate and maintain wells and related equipment and facilities, including applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities.
- (r) **“production”** means recovering, gathering, treating, field or plant processing (for example, processing gas to extract natural gas liquids) and field storage of oil and gas.
- (s) **“property”** includes:
 - (i) fee ownership or a lease, concession, agreement, permit, license or other interest representing the right to extract oil or gas subject to such terms as may be imposed by the conveyance of that interest;
 - (ii) royalty interests, production payments payable in oil or gas, and other non-operating interests in properties operated by others; and
 - (iii) an agreement with a foreign government or authority under which the Trust participates in the operation of properties or otherwise serves as “producer” of the underlying reserves (in contrast to being an independent purchaser, broker, dealer or importer).

A property does not include supply agreements, or contracts that represent a right to purchase, rather than extract, oil or gas.
- (t) **“property acquisition costs”** means costs incurred to acquire a property (directly by purchase or lease, or indirectly by acquiring another corporate entity with an interest in the property), including:
 - (i) costs of lease bonuses and options to purchase or lease a property;
 - (ii) the portion of the costs applicable to hydrocarbons when land including rights to hydrocarbons is purchased in fee; and

- (iii) brokers' fees, recording and registration fees, legal costs and other costs incurred in acquiring properties.
- (u) **“proved property”** means a property or part of a property to which reserves have been specifically attributed.
- (v) **“reservoir”** means a porous and permeable underground formation containing a natural accumulation of producible oil or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.
- (w) **“service well”** means a well drilled or completed for the purpose of supporting production in an existing field. Wells in this class are drilled for the following specific purposes: gas injection (natural gas, propane, butane or flue gas), water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for combustion.
- (x) **“solution gas”** means natural gas dissolved in crude oil.
- (y) **“stratigraphic test well”** means a drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Ordinarily, such wells are drilled without the intention of being completed for hydrocarbon production. They include wells for the purpose of core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic test wells are classified as (i) “exploratory type” if not drilled into a proved property; or (ii) “development type”, if drilled into a proved property. Development type stratigraphic wells are also referred to as “evaluation wells”.
- (z) **“support equipment and facilities”** means equipment and facilities used in oil and gas activities, including seismic equipment, drilling equipment, construction and grading equipment, vehicles, repair shops, warehouses, supply points, camps, and division, district or field offices.
- (aa) **“unproved property”** means a property or part of a property to which no reserves have been specifically attributed.
- (bb) **“well abandonment costs”** means costs of abandoning a well (net of salvage value) and of disconnecting the well from the surface gathering system. They do not include costs of abandoning the gathering system or reclaiming the wellsite.

Pricing Assumptions – Constant Prices and Costs

GLJ employed the following pricing, exchange rate and inflation rate assumptions as of December 31, 2005 in estimating our reserves data using constant prices and costs.

Natural Gas	Crude Oil	NGLs				
Spot	WTI at Cushing	Pentanes Plus				
Plant Gate	Oklahoma	Edmonton	Butane Edmonton	Propane Edmonton	Inflation Rate	Exchange Rate
(\$Cdn/MMBTU)	(\$US/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)	(%/Yr)	(\$US/\$Cdn)
9.46	61.04	71.67	50.52	43.69	-	0.8577

Pricing Assumptions – Forecast Prices and Costs

GLJ employed the following pricing, exchange rate and inflation rate assumptions as of December 31, 2005 in estimating our reserves data using forecast prices and costs.

Year	Natural Gas		Crude Oil		NGLs			Inflation Rate	Exchange Rate
	MidWest Price @ Chicago	Spot Plant Gate	WTI at Cushing Oklahoma	Edmonton	Pentanes Plus Edmonton	Butanes Edmonton	Propane Edmonton		
	(\$US/MMBTU)	(\$Cdn/MMBTU)	(\$US/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)	(%/yr)	(\$US/\$Cdn)
Forecast									
2006	10.30	10.35	57.00	66.25	67.00	49.00	42.50	2.0	0.85
2007	8.90	9.00	55.00	64.00	65.25	47.25	41.00	2.0	0.85
2008	7.65	7.75	51.00	59.25	60.50	43.75	38.00	2.0	0.85
2009	7.15	7.25	48.00	55.75	56.75	41.25	35.75	2.0	0.85
2010	6.90	6.95	46.50	54.00	55.00	40.00	34.50	2.0	0.85
2011	6.65	6.65	45.00	52.25	53.25	38.75	33.50	2.0	0.85
2012	6.65	6.65	45.00	52.25	53.25	38.75	33.50	2.0	0.85
2013	6.80	6.80	46.00	53.25	54.25	39.50	34.00	2.0	0.85

Year	Natural Gas		Crude Oil		NGLs				Inflation Rate (%/yr)	Exchange Rate (\$US/\$Cdn)
	MidWest Price @ Chicago (\$US/MMBTU)	Spot Plant Gate (\$Cdn/MMBTU)	WTI at Cushing Oklahoma (\$US/bbl)	Edmonton (\$Cdn/bbl)	Pentanes Plus Edmonton (\$Cdn/bbl)	Butanes Edmonton (\$Cdn/bbl)	Propane Edmonton (\$Cdn/bbl)			
2014	6.90	6.95	46.75	54.25	55.25	40.25	34.75	2.0	0.85	
2015	7.05	7.15	47.75	55.50	56.50	41.00	35.50	2.0	0.85	
2016	7.20	7.30	48.75	56.50	57.75	41.75	36.25	2.0	0.85	
2017+	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr	+2%/yr

The weighted average realized sales prices before hedging for the year ended December 31, 2005 were \$8.38/Mcf for natural gas, and \$58.57/bbl for crude oil and NGLs.

Reconciliations of Changes in Reserves and Future Net Revenue

Reserves Reconciliation

The following table sets forth a reconciliation of the Trust's net total proved, net probable and net total proved plus probable reserves as at December 31, 2005 against such reserves as at January 1, 2005 based on forecast price and cost assumptions.

Factors	Light and Medium Oil			Heavy Oil			Conventional Natural Gas		
	Net Proved (Mbbbl)	Net Probable (Mbbbl)	Net Proved Plus Probable (Mbbbl)	Net Proved (Mbbbl)	Net Probable (Mbbbl)	Net Proved Plus Probable (Mbbbl)	Net Proved (MMcf)	Net Probable (MMcf)	Net Proved Plus Probable (MMcf)
January 1, 2005	16,889	5,668	22,556	1,927	335	2,262	18,571	7,761	26,332
Extensions	387	(4)	383	-	-	-	78	22	100
Infill Drilling	897	352	1249	-	-	-	847	60	907
Improved Recovery	65	236	301	4	-	4	157	68	225
Technical Revisions	(513)	166	(347)	40	13	52	(1,420)	(2,562)	(3,982)
Discoveries	90	22	111	-	-	-	-	-	-
Acquisitions	6,891	4,342	11,233	-	-	-	8,950	4,264	13,215
Dispositions	-	-	-	-	-	-	(331)	(140)	(471)
Economic Factors	85	17	102	17	7	23	76	31	107
Production	(2,370)	-	(2,370)	(273)	-	(273)	(5,159)	-	(5,159)
December 31, 2005	22,419	10,799	33,219	1,714	354	2,068	21,770	9,504	31,273

Note:

- (1) The Trust has no unconventional reserves (Bitumen, Synthetic Crude Oil, Natural Gas from Coal, etc.).

Future Net Revenue Reconciliation

The following table sets forth a reconciliation of the estimate of the net present value of future net revenue attributable to the Trust's proved plus probable reserves as evaluated in the GLJ Report as at December 31, 2005 against the estimate of such amount as at January 1, 2005, calculated before tax using a discount rate of 10% and constant price and cost assumptions.

	(M\$)
January 1, 2005	302,660
Sales and Transfers of Oil and Gas Produced during the Period Net of Production Costs and Royalties	(159,720)
Net Change in Sales and Transfer Prices and in Production Costs and Royalties related to Future Production	435,212
Changes in Previously Estimated Development Costs Incurred During the Period	(6,211)
Changes in Estimated Future Development Costs	(11,620)
Net Change Resulting from Extensions and Improved Recovery	9,798
Net Change Resulting from Discoveries	1,030
Changes Resulting from Acquisitions of Reserves	176,057
Changes Resulting from Dispositions of Reserves	-
Net Change Resulting from Revisions in Quantity Estimates	8,129

	(M\$)
Accretion of Discount	-
Net Change in Income Taxes	-
Other Significant Factors	-
December 31, 2005	755,335

Undeveloped Reserves

The following discussion generally describes the basis on which we attribute proved and probable undeveloped reserves and our plans for developing those undeveloped reserves.

Proved Undeveloped Reserves

Proved undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production. In addition, such reserves may relate to planned infill drilling locations. The majority of these reserves are planned to be on stream within a two year timeframe.

Probable Undeveloped Reserves

Probable undeveloped reserves are generally those reserves tested or indicated by analogy to be productive, infill drilling locations and lands contiguous to production. The majority of these reserves are planned to be on stream within a two year timeframe.

Significant Factors or Uncertainties Affecting Reserves Data

The process of estimating reserves is complex. It requires significant judgments and decisions based on available geological, geophysical, engineering, and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices and economic conditions. Our reserves are evaluated by GLJ, an independent engineering firm.

As circumstances change and additional data become available, reserve estimates also change. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions and governmental restrictions.

Although every reasonable effort is made to ensure that reserve estimates are accurate, reserve estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserve estimates can arise from changes in year-end oil and gas prices, and reservoir performance. Such revisions can be either positive or negative.

Future Development Costs

The table below sets out the development costs deducted in the estimation of future net revenue attributable to proved reserves (using both constant prices and costs and forecast prices and costs) and proved plus probable reserves (using forecast prices and costs only).

	Constant Prices and Costs	Forecast Prices and Costs	
	Proved Reserves	Proved Reserves	Proved Plus Probable Reserves
	(M\$)	(M\$)	(M\$)
2006	35,989	35,989	47,100
2007	41,202	41,202	58,925
2008	9,011	9,011	30,138
2009	6,341	6,341	11,580
2010	2,790	2,790	5,234
Remaining Years	6,821	7,632	10,000
Total Undiscounted	102,154	102,965	162,977
Total Discounted at 10% per year	86,642	86,835	135,263

We estimate that our internally generated cash flow will be sufficient to fund the future development costs disclosed above. We typically have available three sources of funding to finance our capital expenditure program; internally generated cash flow from operations, debt

financing when appropriate and new equity issues (including proceeds from our distribution reinvestment plans), if available on favourable terms. Debt financing is available to us at prime rate plus an applicable margin based on our debt to cash flow ratio. The current rate available to us is 5.60% per annum.

We expect to fund our total 2006 capital program with internally generated cash flow and proceeds from our distribution reinvestment plans, although quarterly fluctuations in funding levels are expected, our objective is to reduce our current net debt level throughout 2006. Our objective is to maintain our net debt to cash flow ratio at less than 1.0 times estimated future cash flows.

Oil and Gas Properties

The following is a description of the oil and natural gas properties, plants, facilities and installations in which we have an interest and that are material to our operations and activities. The production numbers stated refer to our working interest share before deduction of Crown and freehold royalties. Unless otherwise stated, reserve amounts are stated before deduction of royalties, based on escalating cost and price assumptions as evaluated in the GLJ Report as at December 31, 2005.

Southeast Saskatchewan Major Properties

Manor

The Manor property is comprised of five large oil-in-place pools: the Manor Lower Watrous-Alida, Queensdale North Alida, Wildwood Alida and two Auburnton Alida pools. The Lower Watrous-Alida pool contains more than 119 MMbbl of original oil in place. The Queensdale North Alida and Wildwood Alida pools have over 18 MMbbl and 10 MMbbl of original oil in place, respectively, and the two pools discovered at Auburnton in 2004 have an internally estimated 4.9 MMbbl of original oil in place combined. Crescent Point increased its share of the Lower Watrous-Alida pool with the acquisition of Bulldog Energy in 2005. Total combined recovery from these pools is less than 11.0%. Crescent Point holds an average 97% operated working interest in the area. The property exited 2005 with average daily production exceeding 4,000 bbl/d of 36° API light oil and 800 Mcf/d of natural gas production. Our oil production at the time of the first Manor acquisition in 2002 was approximately 575 bbl/d. In 2005, utilizing our proprietary 3D seismic program which covers the five pools in the Manor area, we participated in drilling 17 (15.9 net) horizontal light oil wells. We have identified more than 47 (45.6 net) development drilling locations remaining within the Manor area, of which up to seventeen locations are planned to be drilled in 2006. During 2005, Crescent Point conducted a detailed geological and reservoir engineering study of the Lower Watrous-Alida pool for 75 metre interwell downspacing. Based on this work, the Trust plans to drill up to 2 test locations in 2006.

Tatagwa

Unit

The Trust owns a 70%, operated working interest in the Tatagwa North Midale Voluntary Unit No. 1 (the "Unit"). The North Midale pool has an estimated 157 MMbbl of original oil in place, of which 3.2% has been recovered to date. Similar pools to the east of the property have estimated recoveries of over 13%. During 2005, the Trust updated its reservoir model with preliminary results indicating the potential for up to 14 drills with recoveries ranging from 80 Mstb to 300 Mstb. Independent engineers currently recognize 8 drilling locations of 130 Mstb per location. At Tatagwa, we have had positive technical reserve revisions year over year. In July 2003, the ultimate recovery factor of oil in place was forecast to be 6.8%. This increased to 7.7% in January 2004 and then to 9.1% in January 2005. Overall, our assigned reserves increased by 2.5 MMbbl in an 18 month period. Our interest production from the Unit averaged 960 bbl/d in December 2005. During 2006, the Trust plans to finish analysing the results of its updated reservoir model to prepare the next set of drilling locations and optimize waterflood efficiency.

Non-Unit

Through a series of three strategic acquisitions during the past 18 months, Crescent Point has increased its non Unit position in the Loughheed, Neptune, Weyburn and Tatagwa areas to over 1000 bbl/d of mainly light Midale oil production. During 2005, the Trust drilled 8 (6.5 net) wells on these lands. We have identified more than 29 (22.8 net) development drilling locations of which up to eight locations are planned to be drilled in 2006.

Innes

In August 2004, we acquired approximately 900 bbl/d of oil and 300 Mcf/d of natural gas production in our core southeast Saskatchewan operating corridor, including approximately 500 boe/d of current production in the operated Innes area. Production is derived from the

high quality, light oil, high netback Frobisher formation, estimated to contain 40 MMbbl of original oil in place on interest lands. Approximately 34.0% of the oil has been recovered with offsetting analogous reservoirs estimated to have recovery factors of 45.0% of oil in place. During 2005, the Trust drilled 3 (1.8 net) wells on the Innes lands. We have identified more than 12 (8.2 net) development drilling locations at Innes.

Glen Ewen

On July 15, 2005, the Trust announced that it had entered into agreements with a private consortium to acquire certain interests adjacent to its core operating area of Glen Ewen. The property is located in Twp 3-1W2M. The Trust acquired a 100% operated interest in 31 producing wells, a central battery and two satellite facilities. Production is derived from the Halbrite and Huntoon members of the Frobisher formation. Current total property production exceeds 1000 boe/d comprised 80% high quality, light oil and 20% natural gas. The Trust has identified 15 (15.0 net) drilling locations on acquired lands and plans to drill up to 12 of these locations in 2006. With the acquisition, the Trust acquires a large oil-in-place reservoir of more than 31 MMbbls with less than 5% recovered to date.

In all, we plan to drill up to 45 net wells in southeast Saskatchewan in 2006.

Southwest Saskatchewan Major Properties

Battrum / Cantuar

On December 6, 2005, the Trust announced that it had entered into agreements to acquire approximately 5,000 boe/d of high quality, long life, medium gravity oil derived from the Cantuar and Roseray formations in the Battrum/Cantuar area of southwest Saskatchewan. The Trust acquired interests in 4 production Units that contain over 760 MMbbls oil in place with a low current recovery of less than 20%.

The Trust holds a 49% operated working interest in the Battrum Unit No. 1, a 41% operated working interest in the Battrum Unit No. 2, and a 35% operated working interest in the Battrum Unit No. 3. Interest production from these three units was approximately 2,150 boe/d in December 2005. Production is derived from the Upper Jurassic Roseray formation. Up to 22 gross (10 net) drilling locations have been internally identified by the Trust on interest lands. In addition, future potential includes production optimization, waterflood optimization, and suspended well reactivations.

The Trust holds a 55% non-operated working interest in the Cantuar unit. Interest production from the unit was approximately 2,850 boe/d from 160 gross wells in December 2005 and is comprised 97% of medium gravity crude oil and 3% natural gas production. Production is derived from the Cretaceous Cantuar and Jurassic Roseray formations. Up to 126 gross (68.0 net) drilling locations have been internally identified on interest lands. In addition, several waterflood optimization opportunities including flood pattern realignment have been identified.

The Trust also has an average non-operated 50% working interest in 7 gross producing nonunit oil wells located adjacent to the Cantuar unit. Total non unit interest production in December 2005 was an estimated at 70 boe/d of medium gravity Roseray formation production.

The Trust expects to participate in drilling up to 30 (15 net) drilling locations in southwest Saskatchewan in 2006.

South/Central Alberta Major Properties

Little Bow

The Trust holds a 100%, operated working interest in the Little Bow Upper Mannville "S" pool which has approximately 20 MMbbl of original oil in place together with a four bcf gas cap and a partially active bottom aquifer. To date, approximately 30.0% of the oil in place has been recovered, while similar analogous pools have recovered up to 50.0% of the oil in place. Oil production is gathered to a central battery and transferred into the Bow River pipeline system, while conserved solution gas is gathered to the non-operated Travers gas plant for processing.

The 2005 exit production for the Little Bow property was approximately 600 bbl/d of operated medium gravity crude oil and 600 Mcf/d of natural gas, for total interest production of approximately 700 boe/d.

During 2006, we plan to complete one well drilled in late 2005 and drill up to two more wells that will be either utilized as water injectors or producers depending on drilling results. In addition, up to two wells will be plugged back and reperforated uphole targeting attic oil.

Sounding Lake

The Sounding Lake property provides a low decline, predictable reserve base, with large original oil in place of more than 18 MMbbl in the Cummings "A" pool and more than 19 MMbbl in the Dina G4G Pool. We hold a 100%, operated working interest in the Cummings "A" Unit water flood and various interests in several non-unit Dina G4G and Sparky pool oil wells. Oil production is shipped through the Hamilton Lake pipeline to market.

In November 2004, we acquired additional interests in the area, representing approximately 370 boe/d. During 2005, an extensive geological and reservoir study was conducted on the property to analyse recent waterflood performance and to identify additional drilling opportunities. As a result of this work, up to 6 (5.9 net) drills, 8 (7.8 net) recompletions and 9 (8.6 net) water injection conversions and reactivations targeting the Dina, Cummings, Sparky and GP Rex formations are planned for 2006. The Trust also plans to review the Sparky formation for waterflood suitability in 2006. A field wide power survey to reduce power consumption was conducted and as a result operating costs are expected to be reduced in 2006. In addition, the Trust signed an Agreement with a third party to construct an oil blending facility on an existing battery site in 2006 that will increase the Trust's third party process income in the area later in the year. The property exited 2005 with production of approximately 1,155 bbl/d of operated light oil and 240 Mcf/d of natural gas, for total interest production of approximately 1,200 boe/d.

John Lake

On April 6, 2005, the Trust announced that it had entered into an Agreement to acquire approximately 6,000 Mcf/d of mostly operated, high netback natural gas production in the John Lake area adjacent to its existing operations. The Trust identified 9 drilling locations targeting the Colony and Viking formations and 3 recompletions in the Viking, Waseka and Sparky zones. The total property exited 2005 with production of approximately 11.5 MMcf/d. During 2005, 5 (3.4 net) gas wells targeting the Labiche, Colony and Clearwater formations were drilled adding over 1 MMcf/d of initial interest production. Much of this gas will be tied in during the first quarter of 2006. The Trust plans to drill up to 8 (7.3 net) wells on the property in 2006 and to continue to optimize compression and gathering systems to offset field declines and optimize ultimate recoveries.

Overall the Trust plans to drill up to 18 (15.8) wells and recomplete up to 14 (13.1) wells in the South/Central Alberta area.

Northeastern British Columbia and West Peace River Arch, Alberta Major Properties

Worsley

On March 2, 2006, the Trust announced that it had acquired a private oil and natural gas company, whose assets are focused in Alberta's Peace River Arch area and are currently producing approximately 580 boe/d comprised of 75% high quality, light oil and 25% natural gas. The acquisition created a new core area for the Trust. The potential to increase production to over 800 boe/d with gas compression capacity expansion and GPP approval by mid 2006 exists. The assets are nonoperated with an average working interest of approximately 42%. Up to 50 (15.9 net) locations targeting the Charlie Lake and Triassic Doig formations have been identified. The assets add large oil in place of 27 MMbbls to the company's extensive asset base.

Doe

Consistent with our strategy, the property provides us with a large gas in place reservoir to exploit, and an operated asset with low operating costs and a large drilling inventory. The property is located in northeastern British Columbia, adjacent to the Alberta border. Production in 2005 from the property averaged 2,615 Mcf/d. Gas is gathered to our operated compressor facility and produced directly into the adjacent Duke/Westcoast sales line, resulting in low operating costs, reduced royalty rates and high netbacks. Field wide pressure surveys in 2006 identified up to 4 wells as fracture stimulation candidates. The first well was stimulated successfully in early 2006 and is being monitored to optimize stimulations planned on the next 3 wells. Pending the success of these activities, future completion programs for drills will include fracture stimulations where previous programs were concerned about formation damage caused by completion fluids and were left openhole unstimulated.

Oil and Gas Wells

The following table summarizes our interest as at December 31, 2005 in wells that are producing and non-producing.

Producing Wells				
Area	Oil		Gas	
	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>
SE Saskatchewan	905	632	-	-
South Central Alberta	311	217	137	102
NE B.C./Peace River Arch	8	6	31	28
Totals	1,224	854	168	130

Non-Producing Wells				
Area	Oil		Gas	
	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>
SE Saskatchewan	-	-	-	-
South Central Alberta	-	-	-	-
NE B.C./Peace River Arch	-	-	-	-
Totals	-	-	-	-

Properties With No Attributed Reserves

The following table summarizes the gross and net acres of unproved properties in which we have an interest and also the number of net acres for which our rights to develop or exploit will, absent further action, expire within one year.

As of December 31, 2005			
	Gross Acres	Net Acres	Net Acres Expiring Within One Year
Alberta	61,213	37,985	5,243
British Columbia	14,761	13,929	8,352
Manitoba	41	41	-
Saskatchewan	94,351	80,506	17,120
Total	170,366	132,461	30,715

Drilling Activity

The following table summarizes the gross and net exploration and development wells in which we participated during the year ended December 31, 2005.

	Development Wells		Exploration Wells		Total Wells	
	Gross	Net	Gross	Net	Gross	Net
Oil wells	36	27.3	-	-	36	27.3
Natural Gas wells	6	4.1	-	-	6	4.1
Service wells	5	4.1	-	-	5	4.1
Dry holes	3	2.2	-	-	3	2.2
Total	50	37.7	-	-	50	37.7

For details on the most important current and likely exploration and development activities during 2006, see “*Statement Of Reserves Data And Other Oil And Gas Information – Oil and Gas Properties*”.

Additional Information Concerning Abandonment and Reclamation Costs

We estimate well abandonment costs stereotypically area by area. Such costs are included in the GLJ Report as deductions in arriving at future net revenue. The expected total abandonment costs included in the GLJ Report for 836 net wells under the proved reserves category is \$24,834,000 undiscounted (\$9,222,000 discounted at 10%), of which a total of \$2,491,000 is estimated to be incurred in 2006, 2007 and 2008.

Tax Horizon

As a result of our tax efficient structure, annual taxable income is transferred from our operating entities to the Trust, and from the Trust to Unitholders.

Costs Incurred

The following table summarizes our property acquisition costs, exploration costs and development costs for the year ended December 31, 2005.

Property Acquisition Costs				
	Proved Properties	Unproved Properties	Exploration Costs	Development Costs
Total (M\$)	307,662	15,472	-	36,511

Production Estimates

The following table discloses for each product type the total volume of production estimated by GLJ for 2006 in the estimates of future net revenue from proved reserves disclosed above under the heading "Disclosure of Reserves Data".

	Light and Medium				Total (boe/d)
	Crude Oil	Heavy Crude Oil	Natural Gas	NGLs	
	(bbl/d)	(bbl/d)	(Mcf/d)	(bbl/d)	
SE Saskatchewan	8,844	-	2,158	62	9,266
South Central Alberta	1,044	817	11,865	19	3,858
NE B.C./Peace River Arch	38	-	2,761	25	523
Total	9,926	817	16,784	106	13,646

Production History

The following table discloses, on a quarterly and annual basis for the year ended December 31, 2005, our share of average daily production volume, prior to royalties, and the prices received, royalties, production costs and transportation costs incurred and netbacks on a per unit of volume basis for each product type.

Average Daily Production Volume

	Three Months Ended				Year Ended
	March 31, 2005	June 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Dec. 31, 2005
Light, Medium and Heavy Crude Oil and NGLs (bbl/d)	8,404	8,524	9,200	10,637	9,196
Natural gas (Mcf/d)	14,273	17,945	19,981	18,927	17,810
Total (boe/d)	10,783	11,515	12,530	13,791	12,164

Prices Received, Royalties, Production Costs and Transportation Costs Incurred – Light, Medium and Heavy Crude Oil and NGLs

(\$ per bbl)	Three Months Ended				Year Ended
	March 31, 2005	June 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Dec. 31, 2005
Prices Received – net of hedging	41.84	44.85	55.66	51.24	48.76
Royalties	(9.81)	(10.81)	(13.68)	(12.46)	(11.80)
Production Costs	(7.78)	(7.79)	(8.32)	(8.79)	(8.23)
Transportation Costs	(1.04)	(0.96)	(1.06)	(1.12)	(1.05)
Netback	23.21	25.29	32.60	28.87	27.68

Prices Received, Royalties, Production Costs and Transportation Costs Incurred and Netback – Natural Gas

(\$ per Mcf)	Three Months Ended				Year Ended
	March 31, 2005	June 30, 2005	Sept. 30, 2005	Dec. 31, 2005	Dec. 31, 2005
Prices Received – net of hedging	6.80	7.09	8.34	10.81	8.38
Royalties	(1.23)	(1.45)	(1.77)	(1.89)	(1.61)
Production Costs	(1.12)	(1.30)	(1.07)	(1.59)	(1.27)
Transportation Costs	(0.21)	(0.18)	(0.14)	(0.16)	(0.17)
Netback	4.24	4.16	5.36	7.17	5.33

Production Volume by Field

The following table discloses for each important field, and in total, our production volumes for the year ended December 31, 2005 for each product type.

Field	Light and Medium Crude Oil and NGLs <i>(bbl/d)</i>	Heavy Crude Oil <i>(bbl/d)</i>	Natural Gas <i>(Mcfd)</i>	Total <i>(boe/d)</i>	%
SE Saskatchewan	6,994	-	1,695	7,277	60
South Central Alberta	1,200	670	11,960	3,863	32
NE B.C./Peace River Arch	332	-	4,155	1,024	8
Total	8,526	670	17,810	12,164	100

ADDITIONAL INFORMATION RESPECTING THE TRUST

Trust Units

An unlimited number of Trust Units may be created and issued pursuant to the Trust Indenture. Each Trust Unit entitles the holder to one vote at any meeting of the holders of Trust Units and represents an equal fractional undivided beneficial interest in any distribution from the Trust (whether of net income, net realized capital gains or other amounts) and in any net assets of the Trust in the event of termination or winding up of the Trust. All Trust Units rank among themselves equally and rateably without discrimination, preference or priority. Each Trust Unit is transferable, is not subject to any conversion or pre-emptive rights and entitles the holder thereof to require the Trust to redeem any or all of the Trust Units held by such holder (see “*Redemption Right*”) and to one vote at all meetings of Unitholders for each Trust Unit held.

The Trust Units do not represent a traditional investment and should not be viewed by investors as “shares” in either CPRL or the Trust. As holders of Trust Units in the Trust, Unitholders do not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions. The price per Trust Unit will be a function of our anticipated distributable income and our ability to effect long term growth in the value of the Trust. The market price of the Trust Units will be sensitive to a variety of market conditions including, but not limited to, interest rates, commodity prices and our ability to acquire additional assets. Changes in market conditions may adversely affect the trading price of the Trust Units. See “*Risk Factors – Nature of Trust Units and the Trust*”.

The Trust is a limited purpose unincorporated trust established under the laws of the Province of Alberta, which is governed by the terms and conditions of the Trust Indenture. As the Trust is not a corporate entity, it is not governed by the provisions of either provincial or federal corporate law. The Trust Units do not represent a traditional investment and should not be viewed by investors as “shares” in either CPRL or the Trust. As holders of Trust Units, Unitholders do not have the statutory rights normally associated with ownership of shares of a corporation. As a result, in the event a restructuring of the Trust were necessary, the Trust would not be able to access the remedies available thereunder. In the event of a restructuring, a Unitholder may be in a different position than a shareholder of a corporation. See “*Risk Factors – Nature of Trust Units and the Trust*”.

Trust Units are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that Act or any other legislation. Furthermore, the Trust is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

As of March 22, 2006, there were 54,804,072 Trust Units outstanding, 1,350,541 Trust Units reserved for issuance on exercise of Exchangeable Shares and 659,547 Trust Units reserved for issuance pursuant to the Restricted Unit Bonus Plan.

Income Stream

We make monthly cash distributions to Unitholders from our net cash flow. Our primary sources of cash flow are payments from CPRL of interest on, and principal in respect of, the Note, the Participating Note and payments in respect of other obligations granted by our subsidiaries.

The Note

The Note was created and issued by CPRL to the Trust pursuant to the Arrangement. The Note is unsecured and bears interest from the date of issue at 14% per annum. Interest is payable for each month during the term on the 15th day of the month following such month. For a detailed description of the Note, see “*Additional Information Respecting CPRL – The Note*”.

The Participating Note

The Participating Note was created and issued by CPC Trust to the Trust on January 6, 2004. The Note is a grid, unsecured note and bears interest at between 0 and 14% per annum. Advances are made under the Participating Note from time to time, largely to finance acquisitions. Interest under the Participating Note is payable monthly in arrears.

Special Voting Rights

In order to allow the Trust flexibility in pursuing corporate acquisitions, the Trust Indenture allows for the creation of Special Voting Rights which will enable the Trust to provide voting rights to holders of Exchangeable Shares and, in the future, to holders of other exchangeable shares that may be issued by CPRL or other subsidiaries of the Trust in connection with other exchangeable share transactions.

An unlimited number of Special Voting Rights may be created and issued pursuant to the Trust Indenture. Holders of Special Voting Rights are not entitled to any distributions of any nature whatsoever from the Trust. Holders of Special Voting Rights are entitled to attend at meetings of Unitholders and, subject to the terms of the instrument creating the Special Voting Rights, are entitled to that number of votes equal to the number of votes attached to the Trust Units for which the Special Voting Rights held by such holder are exchangeable, exercisable or convertible. Holders of Special Voting Rights are also entitled to receive all notices, communications or other documentation required to be given or otherwise sent to Unitholders. Except for the right to attend and vote at meetings of Unitholders and receive notices, communications and other documentation sent to Unitholders, the Special Voting Rights do not confer upon the holders thereof any other rights.

In conjunction with the completion of the Arrangement and pursuant to the terms of the Voting and Exchange Trust Agreement, the Trust has issued a Special Voting Right to the Voting and Exchange Trust Agreement Trustee for the benefit of every person who holds Exchangeable Shares.

Unitholder Limited Liability

The Trust Indenture provides that no Unitholder, in its capacity as such, shall incur or be subject to any liability in contract or in tort in connection with the Trust or its obligations or affairs and, in the event that a court determines Unitholders are subject to any such liabilities, the liabilities will be enforceable only against, and will be satisfied only out of the Trust's assets. Pursuant to the Trust Indenture, the Trust will indemnify and hold harmless each Unitholder from any costs, damages, liabilities, expenses, charges or losses suffered by a Unitholder from or arising as a result of such Unitholder not having such limited liability.

The Trust Indenture provides that all contracts signed by or on behalf of the Trust must contain a provision to the effect that such obligation will not be binding upon Unitholders personally. Notwithstanding the terms of the Trust Indenture, Unitholders may not be protected from liabilities of the Trust to the same extent a shareholder is protected from the liabilities of a corporation. Personal liability may also arise in respect of claims against the Trust (to the extent that claims are not satisfied by the Trust) that do not arise under contracts, including claims in tort, claims for taxes and possibly certain other statutory liabilities. The possibility of any personal liability to Unitholders of this nature arising is considered unlikely in view of the fact that the sole activity of the Trust is to hold securities and all of our business operations are carried on by CPRL and CPC Trust, directly or indirectly.

The activities of the Trust and its direct and indirect wholly-owned subsidiaries, CPRL, CPGP and CPC Trust, will be conducted, upon the advice of counsel, in such a way and in such jurisdictions as to avoid as far as possible any material risk of liability to the Unitholders for claims against the Trust including by obtaining appropriate insurance, where available, for the operations of CPRL and having contracts signed by or on behalf of the Trust include a provision that such obligations are not binding upon Unitholders personally.

On July 1, 2004, the Province of Alberta proclaimed the *Income Trusts Liability Act* (Alberta) in force. This legislation provides that beneficiaries of Alberta based income trusts are not liable, as beneficiaries, for any act, default, obligation or liability of the income trust. Unitholders of the Trust have the benefit of this legislation with respect to liabilities arising on or after July 1, 2004.

Issuance Of Trust Units

The Trust Indenture provides that Trust Units, including rights, warrants (including so called “special warrants” which may be exercisable for no additional consideration) and other securities to purchase, to convert into or to exchange into Trust Units, may be created, issued, sold and delivered on such terms and conditions and at such times as the board of directors of CPRL may determine, including, without limitation, instalment or subscription receipts. The Trust Indenture also provides that CPRL may authorize the creation and issuance of debentures, notes and other evidences of indebtedness of the Trust which debentures, notes or other evidences of indebtedness may be created and issued from time to time on such terms and conditions to such persons and for such consideration as CPRL may determine.

Cash Distributions

The Trustee may declare payable to the Unitholders all or any part of the net income of the Trust earned from interest income on the Note and from the income generated under other debt instruments and royalties granted by subsidiaries of the Trust, less all expenses and liabilities of the Trust due and accrued and which are chargeable to the net income of the Trust. In addition, Unitholders may, at the discretion of the board of directors of CPRL, receive distributions in respect of prepayments of principal on the Note made by CPRL to the Trust before the maturity of the Note. It is anticipated, however, that the Trust will reinvest a substantial portion of any such repayments of principal in respect of the Note to make capital expenditures to develop its business with a view to enhancing cash flow from operations. See “*Distributions*”.

Generally, cash distributions will be made on the 15th day of each month to Unitholders of record on the immediately preceding distribution record date.

Redemption Right

Trust Units are redeemable at any time on demand by the holders thereof upon delivery to our transfer agent of the certificate or certificates representing such Trust Units, accompanied by a duly completed and properly executed notice requiring redemption. Upon receipt of the notice to redeem Trust Units by the transfer agent, the holder thereof shall only be entitled to receive a price per Trust Unit (the “Market Redemption Price”) equal to the lesser of: (i) 90% of the “market price” of the Trust Units on the principal market on which the Trust Units are quoted for trading during the 10 trading day period commencing immediately after the date on which the Trust Units are tendered to the Trust for redemption; and (ii) the closing market price on the principal market on which the Trust Units are quoted for trading on the date that the Trust Units are so tendered for redemption.

For the purposes of this calculation, “market price” is an amount equal to the simple average of the closing price of the Trust Units for each of the trading days on which there was a closing price; provided that, if the applicable exchange or market does not provide a closing price but only provides the highest and lowest prices of the Trust Units traded on a particular day, the market price shall be an amount equal to the simple average of the average of the highest and lowest prices for each of the trading days on which there was a trade; and provided further that, if there was trading on the applicable exchange or market for fewer than five of the 10 trading days, the market price shall be the simple average of the following prices established for each of the 10 trading days: the average of the last bid and last ask prices for each day on which there was no trading; the closing price of the Trust Units for each day that there was trading if the exchange or market provides a closing price; and the average of the highest and lowest prices of the Trust Units for each day that there was trading, if the market provides only the highest and lowest prices of Trust Units traded on a particular day. The closing market price shall be: an amount equal to the closing price of the Trust Units if there was a trade on the date; an amount equal to the average of the highest and lowest prices of the Trust Units if there was trading and the exchange or other market provides only the highest and lowest prices of Trust Units traded on a particular day; and the average of the last bid and last ask prices if there was no trading on the date.

The aggregate Market Redemption Price payable by the Trust in respect of any Trust Units surrendered for redemption during any calendar month shall be satisfied by way of a cash payment on the last day of the following month. The entitlement of Unitholders to receive cash upon the redemption of their Trust Units is subject to the limitation that the total amount payable by the Trust in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar month and in any preceding calendar month during the same year shall not exceed \$250,000; provided that CPRL may, in its sole discretion, waive such limitation in respect of any calendar month. If this limitation is not so waived, the Market Redemption Price payable by the Trust in respect of Trust Units tendered for redemption in such calendar month shall be paid on the last day of the following month as follows: (i) firstly, by the Trust distributing Notes having an aggregate principal amount equal to the aggregate Market Redemption Price of the Trust Units tendered for redemption, and (ii) secondly, to the extent that the Trust does not hold Notes having a sufficient principal amount outstanding to effect such payment, by the Trust

issuing its own promissory notes to the Unitholders who exercised the right of redemption having an aggregate principal amount equal to any such shortfall, which promissory notes, (herein referred to as “Redemption Notes”) shall have terms and conditions substantially identical to those of the Notes.

If at the time Trust Units are tendered for redemption by a Unitholder, (i) the outstanding Trust Units are not listed for trading on the TSX and are not traded or quoted on any other stock exchange or market which CPRL considers, in its sole discretion, provides representative fair market value price for the Trust Units or (ii) trading of the outstanding Trust Units is suspended or halted on any stock exchange on which the Trust Units are listed for trading or, if not so listed, on any market on which the Trust Units are quoted for trading, on the date such Trust Units are tendered for redemption or for more than five trading days during the 10 trading day period, commencing immediately after the date such Trust Units were tendered for redemption then such Unitholder shall, instead of the Market Redemption Price, be entitled to receive a price per Trust Unit (the “Appraised Redemption Price”) equal to 90% of the fair market value thereof as determined by CPRL as at the date on which such Trust Units were tendered for redemption. The aggregate Appraised Redemption Price payable by the Trust in respect of Trust Units tendered for redemption in any calendar month shall be paid on the last day of the third following month by, at the option of the Trust: (i) a cash payment; or (ii) a distribution of Notes and/or Redemption Notes as described above.

It is anticipated that this redemption right will not be the primary mechanism for holders of Trust Units to dispose of their Trust Units. Notes or Redemption Notes which may be distributed in specie to Unitholders in connection with a redemption will not be listed on any stock exchange and no market is expected to develop in such Notes or Redemption Notes. Notes or Redemption Notes may not be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans.

Non-Resident Unitholders

It is in the best interest of Unitholders that the Trust qualify as a “unit trust” and a “mutual fund trust” under the Tax Act. Certain provisions of the Tax Act require that the Trust not be established nor maintained primarily for the benefit of non-residents (as defined below). Accordingly, in order to comply with such provisions, the Trust Indenture contains restrictions on the ownership of Trust Units by Unitholders who are non-residents. In this regard, the Trust shall, among other things, take all necessary steps to monitor the ownership of the Trust Units to carry out such intentions. For example, the Trust monitors the ownership of Trust Units by having its transfer agent provide a report on non-resident ownership on a regular basis. If at any time the Trust becomes aware that the beneficial owners of 50% or more of the Trust Units then outstanding are or may be non-residents or that such a situation is imminent, the Trust shall take such action as may be necessary to carry out the intentions evidenced herein. For the purposes of this Section, “non-residents” means non-residents of Canada within the meaning of the Tax Act.

Meetings of Trust Unitholders

The Trust Indenture provides that meetings of Unitholders must be called and held for, among other matters, the election or removal of the Trustee, the appointment or removal of the auditors of the Trust, the approval of amendments to the Trust Indenture (except as described under “*Amendments to the Trust Indenture*”), the sale of the property of the Trust as an entirety or substantially as an entirety, and the commencement of winding up the affairs of the Trust. Meetings of Unitholders will be called and held annually for, among other things, the election of the directors of CPRL and the appointment of the auditors of the Trust.

A meeting of Unitholders may be convened at any time and for any purpose by the Trustee and must be convened, except in certain circumstances, if requisitioned in writing by (i) CPRL or (ii) the holders of Trust Units and Special Voting Rights holding in aggregate not less than 5% of the votes entitled to be voted at a meeting of Unitholders. A requisition must, among other things, state in reasonable detail the business purpose for which the meeting is to be called.

Unitholders may attend and vote at all meetings of Unitholders either in person or by proxy and a proxy holder need not be a Unitholder. Two persons present in person, or represented by proxy, and representing in the aggregate at least 5% of the votes attaching to all outstanding Trust Units shall constitute a quorum for the transaction of business at all such meetings. For the purposes of determining such quorum, the holders of any issued Special Voting Rights who are present at the meeting shall be regarded as representing outstanding Trust Units equivalent in number to the votes attaching to such Special Voting Rights.

The Trust Indenture contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of Unitholders in accordance with the requirements of applicable laws.

Exercise of Voting Rights

The Trust Indenture prohibits the Trustee from voting the shares of CPRL with respect to (i) the election of directors of CPRL, (ii) the appointment of auditors of CPRL or (iii) the approval of CPRL's financial statements, except in accordance with an ordinary resolution adopted at an annual meeting of Unitholders. The Trust Indenture also requires that the Trustee vote the shares of CPGP with respect to election of directors of CPGP to ensure that the directors of CPGP are the same as the directors of CPRL. The Trustee is prohibited from, except in accordance with the approval of the Unitholders by special resolution at a meeting of Unitholders called for that purpose, authorizing the sale of any of the shares of CPRL, the units of CPC Trust or the shares of CPGP, except in conjunction with an internal reorganization of the direct or indirect assets of the Trust as a result of which the Trust has substantially the same interest, whether direct or indirect, in the shares of CPRL, units of CPC Trust or shares of CPGP, as the case may be, as the interest, whether direct or indirect, as it had prior to the reorganization. The Trustee is also prohibited from voting the shares of CPRL, units of CPC Trust and shares of CPGP to authorize:

- (a) any sale, lease or other disposition of, or any interest in, all or substantially all of the assets of CPRL, except in conjunction with an internal reorganization of the direct or indirect assets of CPRL as a result of which either CPRL or the Trust has the same interest, whether direct or indirect, in the assets as the interest, whether direct or indirect, that it had prior to the reorganization;
- (b) any merger, amalgamation, arrangement, reorganization, recapitalization, business combination or similar transaction involving CPRL, CPGP, CPC Trust or the Limited Partnership and any other corporation, except in conjunction with an internal reorganization as referred to in paragraph (a) above, the winding up, liquidation or dissolution of CPRL, CPC Trust, CPGP or the Limited Partnership prior to the end of the term of the Trust except in conjunction with an internal reorganization as referred to in paragraph (a) above;
- (c) any amendment to the articles of CPRL to increase or decrease the minimum or maximum number of directors;
- (d) any material amendment to the articles of CPRL to change the authorized share capital or amend the rights, privileges, restrictions and conditions attaching to any class of CPRL's shares in a manner which may be prejudicial to the Trust; or
- (e) any material amendment to the limited partnership agreement governing the Limited Partnership or the trust indenture governing the CPC Trust which may be prejudicial to the Trust;

without the approval of the Unitholders by special resolution at a meeting of Unitholders called for that purpose.

Trustee

Olympia Trust Company is the initial Trustee of the Trust. The Trustee is responsible for, among other things, accepting subscriptions for Trust Units and issuing Trust Units pursuant thereto, maintaining the books and records of the Trust and providing timely reports to holders of Trust Units. The Trust Indenture provides that the Trustee shall exercise its powers and carry out its functions thereunder as Trustee honestly, in good faith and in the best interests of the Trust and the Unitholders and, in connection therewith, shall exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances.

The initial term of the Trustee's appointment is until the third annual meeting of Unitholders. The Unitholders shall, at the third annual meeting of Unitholders, re-appoint, or appoint a successor to the Trustee for an additional three year term, and thereafter, the Unitholders shall reappoint or appoint a successor to the Trustee at the annual meeting of Unitholders three years following the reappointment or appointment of the successor to the Trust. The Trustee may also be removed by special resolution of the Unitholders. Such resignation or removal becomes effective upon the acceptance or appointment of a successor trustee.

Delegation of Authority, Administration and Trust Governance

The board of directors of CPRL has generally been delegated the significant management decisions of the Trust. In particular, the Trustee has delegated to CPRL responsibility for any and all matters relating to the following: (i) an offering of securities of the Trust; (ii) ensuring compliance with all applicable laws, including in relation to an offering of securities of the Trust; (iii) all matters relating to the content of any offering documents, the accuracy of the disclosure contained therein and the certification thereof; (iv) all matters concerning the terms

of, and amendment from time to time of the material contracts of the Trust; (v) all matters concerning any underwriting or agency agreement providing for the sale of Trust Units or rights to Trust Units; (vi) all matters relating to the redemption of Trust Units; (vii) all matters relating to the voting rights on any investments of the Trust or any subsequent investments; and (viii) all matters relating to the specific powers and authorities as set forth in the Trust Indenture.

Liability of the Trustee

The Trustee, its directors, officers, employees, shareholders and agents shall not be liable to any Unitholder or any other person, in tort, contract or otherwise, in connection with any matter pertaining to the Trust or the property of the Trust, arising from the exercise by the Trustee of any powers, authorities or discretion conferred under the Trust Indenture, including, without limitation, any action taken or not taken in good faith in reliance on any documents that are, prima facie, properly executed, any depreciation of, or loss to, the property of the Trust incurred by reason of the sale of any asset, any inaccuracy in any evaluation provided by any other appropriately qualified person, any reliance on any such evaluation, any action or failure to act of CPRL, or any other person to whom the Trustee has, with the consent of CPRL, delegated any of its duties hereunder, or any other action or failure to act (including failure to compel in any way any former trustee to redress any breach of trust or any failure by CPRL to perform its duties under or delegated to it under the Trust Indenture or any other contract), unless such liabilities arise out of the gross negligence, wilful default or fraud of the Trustee or any of its directors, officers, employees or shareholders. If the Trustee has retained an appropriate expert, adviser or legal counsel with respect to any matter connected with its duties under the Trust Indenture, the Trustee may act or refuse to act based on the advice of such expert, adviser or legal counsel, and the Trustee shall not be liable for and shall be fully protected from any loss or liability occasioned by any action or refusal to act based on the advice of any such expert, adviser or legal counsel. In the exercise of the powers, authorities or discretion conferred upon the Trustee under the Trust Indenture, the Trustee is and shall be conclusively deemed to be acting as Trustee of the assets of the Trust and shall not be subject to any personal liability for any debts, liabilities, obligations, claims, demands, judgments, costs, charges or expenses against or with respect to the Trust or the property of the Trust. In addition, the Trust Indenture contains other customary provisions limiting the liability of the Trustee.

Amendments to the Trust Indenture

The Trust Indenture may be amended or altered from time to time by special resolution of the Unitholders. In addition, the Trustee may, without the approval of any of the Unitholders, amend the Trust Indenture for the purpose of:

- (a) ensuring the Trust's continuing compliance with applicable laws or requirements of any governmental agency or authority of Canada or of any province;
- (b) ensuring that the Trust will satisfy the provisions of each of subsections 108(2) and 132(6) of the Tax Act as from time to time amended or replaced;
- (c) ensuring that such additional protection is provided for the interests of Unitholders as the Trustee may consider expedient;
- (d) removing or curing any conflicts or inconsistencies between the provisions of the Trust Indenture or any supplemental indenture and any other agreement of the Trust or any offering document pursuant to which securities of the Trust are issued with respect to the Trust, or any applicable law or regulation of any jurisdiction, provided that in the opinion of the Trustee the rights of the Trustee and of the Unitholders are not prejudiced thereby;
- (e) curing, correcting or rectifying any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions, provided that in the opinion of the Trustee the rights of the Trustee and of the Unitholders are not prejudiced thereby; and
- (f) changing the situs of or the laws governing the Trust which, in the opinion of the Trustee, is desirable in order to provide Unitholders with the benefit of any legislation limiting their liability.

Takeover Bid

The Trust Indenture contains provisions to the effect that, if a takeover bid is made for the Trust Units and not less than 90% of the Trust Units (other than Trust Units held at the date of the takeover bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Trust Units held by Unitholders who did not accept the takeover bid on the terms offered by the offeror. In the event of a take-over bid for Trust Units, any holder of a security exchangeable directly indirectly into Trust Units may, unless prohibited by the terms and conditions of such exchangeable security, convert, exercise or exchange such exchangeable security for the purpose of tendering Trust Units to the take-over bid, unless an identical offer is made by the offeror to purchase such exchangeable security.

Termination of the Trust

Unitholders may vote to terminate the Trust at any meeting of Unitholders duly called for that purpose, subject to the following: (a) a vote may only be held if requested in writing by the holders of not less than 20% of the outstanding Trust Units; (b) a quorum of 50% of the issued and outstanding Trust Units is present in person or by proxy; and (c) the termination must be approved by special resolution of Unitholders.

Unless the Trust is earlier terminated or extended by vote of the Unitholders, the Trust shall continue in full force and effect for a period which shall end twenty-one years after the date of death of the last surviving issue of Her Majesty, Queen Elizabeth II. In the event that the Trust is wound up, the Trustee will sell and convert into money the property of the Trust in one transaction or in a series of transactions at public or private sale and do all other acts appropriate to liquidate the property of the Trust, and shall in all respects act in accordance with the directions, if any, of the Unitholders in respect of termination authorized pursuant to the special resolution authorizing the termination of the Trust. After paying, retiring or discharging or making provision for the payment, retirement or discharge of all known liabilities and obligations of the Trust and providing for indemnity against any other outstanding liabilities and obligations, the Trustee shall distribute the remaining part of the proceeds of the sale of the assets together with any cash forming part of the property of the Trust among the Unitholders in accordance with their pro rata share.

Reporting to Trust Unitholders

Our financial statements will be audited annually by a recognized firm of independent chartered accountants. Our audited financial statements, together with the report of such chartered accountants, will be mailed by the Trustee to Unitholders and our unaudited interim financial statements will be mailed to Unitholders as required by and within the periods prescribed by securities legislation. Our year end is December 31.

The Trust is subject to continuous disclosure obligations under all applicable securities legislation.

Premium Distribution, Distribution Reinvestment and Optional Unit Purchase Plan

On November 24, 2003, we adopted a Premium Distribution, Distribution Reinvestment and Optional Unit Purchase Plan (the "DRIP Plan"). Under the DRIP Plan, eligible Unitholders may, at their option, reinvest their cash distributions to purchase additional Trust Units at 95% of the average market price (as defined in the DRIP Plan) of a Trust Unit on the applicable distribution date. The DRIP Plan also provides an alternative where eligible Unitholders may elect, under the premium distribution component, to receive a premium cash distribution equal to 102% of the reinvested cash distribution that such Unitholders would have otherwise been entitled to receive on the applicable distribution date.

The DRIP Plan also permits those Unitholders who participate in either the regular distribution reinvestment component or the premium distribution component of the DRIP Plan to purchase additional Trust Units from treasury at the average market price (as defined in the DRIP Plan) in minimum amounts of \$1,000 per remittance and maximum aggregate amounts of \$10,000 per month, all subject to an overall annual DRIP Plan limit of 2% of the outstanding Trust Units. Generally, no commissions, service charges or brokerage fees will be payable by Unitholders who participate in the DRIP Plan. We have reserved the right to determine how much new equity is available under the Plan on any particular distribution date. Accordingly, participation in the DRIP Plan may be pro-rated in certain circumstances.

Registered and beneficial owners of units who are not resident in Canada are not eligible to participate in the DRIP Plan.

Credit Facilities

The Trust has credit facilities (the “Credit Facilities”) which provide for a \$285 million extendible revolving loan facility (the “Credit Facility”) and a \$35 million operating loan facility (the “Bi-Lateral Credit Facility”). The loan’s interest rate is based on either Canadian prime rate, versus base rate or bankers acceptance rates at the Trust’s option subject to certain basis point or stamping fee adjustments ranging from 0% to 1.9% depending on the Trust’s debt to cash flow ratio. The Credit Facilities are secured by \$500 million floating charge demand debenture, a general security agreement and a subordination agreement from the Trust covering all assets and cash flows. The Credit Facilities are subject to review on an annual basis, with the next review anticipated to take place in May 2006. Various borrowing options are available under the Credit Facilities, including Canadian prime rate-based advances U.S. base rate-based advances and bankers’ acceptance loans. The Credit Facilities constitute a revolving facility for a 364 day term which is extendible annually for a further 364 day revolving period, subject to a one year term maturity as to lenders not agreeing to such annual extension. The Credit Facilities contain standard commercial covenants for facilities of this nature, and distributions by CPRL to the Trust (and effectively by the Trust to Unitholders) are subordinated to the repayment of any amounts owing under the Credit Facilities. Distributions to Unitholders are not permitted if the Trust is in default of such Credit Facilities or if the amount of the Trust’s outstanding indebtedness under such facilities exceeds the then the existing current borrowing base. The borrowing base under the Credit Facilities was \$320 million as at March 31, 2006.

ADDITIONAL INFORMATION RESPECTING CPRL

CPRL has generally been delegated responsibility relating to significant management and operational decisions involving the Trust and the crude oil and natural gas properties underlying the Trust. See “*Additional Information Respecting the Trust – Delegation of Authority, Administration and Trust Governance*”.

Directors and Officers

CPRL has a board of directors currently consisting of 7 individuals. The directors are elected by the Trust, at the direction of Unitholders by ordinary resolution, and hold office until the next annual meeting of the Trust, which will be held on May 31, 2006.

The name, municipality of residence and principal occupation during the last five years of each of the directors and executive officers of CPRL are as follows:

Name and Municipality of Residence	Position Held with the Corporation	Date First Elected or Appointed as Director
Scott Saxberg ⁽⁴⁾ Calgary, Alberta	President, Chief Executive Officer and Director	2003
C. Neil Smith Calgary, Alberta	Vice President, Engineering and Business Development	Not applicable
Greg Tisdale Calgary, Alberta	Chief Financial Officer	Not applicable
Dave Balutis Calgary, Alberta	Vice President, Geosciences	Not applicable
Tamara MacDonald Calgary, Alberta	Vice President, Land	Not applicable
Ken Lamont Calgary, Alberta	Controller and Treasurer	Not applicable
Mark Eade Calgary, Alberta	Corporate Secretary	Not applicable
Paul Colborne ^{(2), (4)} Calgary, Alberta	Director	2003
D. Hugh Gillard ^{(1), (2)}	Director	2003

Name and Municipality of Residence	Position Held with the Corporation	Date First Elected or Appointed as Director
Calgary, Alberta		
Greg Turnbull ⁽²⁾ Calgary, Alberta	Director	2003
Kenney F. Cugnet ^{(3), (4)} Weyburn, Saskatchewan	Director	2003
Peter Bannister ^{(1), (3)} Calgary, Alberta	Director and Chairman	2003
Gerald A. Romanzin ^{(1), (3)} Calgary, Alberta	Director	2004

Notes:

- (1) Member of the audit committee.
- (2) Member of the compensation committee.
- (3) Member of the reserves committee.
- (4) Member of the environment, health and safety committee.

As at March 15, 2006, the directors and executive officers as a group beneficially owned, directly or indirectly, or exercised control or direction over 728,043 Trust Units, representing approximately 1% of the issued and outstanding Trust Units and 377,156 Exchangeable Shares, representing approximately 57% of the issued and outstanding Exchangeable Shares.

Scott Saxberg, President, Chief Executive Officer and Director

Mr. Saxberg is currently the President, Chief Executive Officer and a director of CPRL. From the date of the Arrangement until November 10, 2004, Mr. Saxberg served as the President, Chief Operating Officer and Director of CPRL. Prior to the completion of the Arrangement, he was the Vice President, Operations of Crescent Point and was one of the founding shareholders of Crescent Point. From June 1994 to August 1996, Mr. Saxberg was employed by Numac Energy Inc. as an exploitation and development engineer, responsible for the main producing areas of southeast Saskatchewan and southern and central Alberta. In addition, Mr. Saxberg assisted in the development of a southeast Saskatchewan exploration and development strategy. On February 12, 2001, Numac Energy Inc. was acquired by Anderson Exploration Ltd. Numac Energy Ltd. was a western crude oil and natural gas exploration and production company whose shares traded on the TSX and the American Stock Exchange.

In August 1996, Mr. Saxberg joined Magin Energy Inc. ("Magin") as a senior engineer responsible for a multitude of engineering related duties, including drilling, completions, field staff, production operations, facilities design, reservoir engineering, reserves, budgeting, and acquisitions and divestitures. In June 1997, Mr. Saxberg was promoted to the position of Western Area Manager responsible for Magin's production west of the 5th and 6th meridians. In August 1999, Mr. Saxberg was promoted to the position of Manager of Business Development, responsible for the identification and evaluation of corporate and land acquisitions. On June 25, 2001, Magin was acquired by NCE Petrofund Inc. Magin was a Canadian oil and gas exploration, development and production company whose shares traded on the TSX.

Mr. Saxberg holds a Bachelor of Science in Mechanical Engineering from the University of Manitoba. Mr. Saxberg is a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta and has over fifteen years experience in the oil and gas industry.

Greg Tisdale, Chief Financial Officer

Greg Tisdale is currently the Chief Financial Officer of CPRL. Prior to joining CPRL in October 2004, Mr. Tisdale served as Vice President, Finance of Direct Energy Marketing Ltd. ("Direct Energy"), a multinational retail energy provider, since September 2003. In this

role, Mr. Tisdale provided financial oversight of the gas and power trading activities in North America and the company's upstream oil and gas production in the Western Canadian Sedimentary Basin, and formed part of the management team responsible for any upstream asset acquisitions.

Prior to joining Direct Energy, Mr. Tisdale held senior management positions with AltaGas Services Inc. ("AltaGas") from 2002 to 2003, Shell Trading Gas & Power Canada Ltd. ("Shell Trading") from 1998 to 2002, and Engage Energy Inc. ("Engage Energy") from 1994 to 1998.

In his position at AltaGas, Mr. Tisdale was responsible for the development of a corporate strategy around executing a power generation business line. This involved integrating the acquisition of a 353 megawatt ("MW") power plant along with an additional 100 MW structured product. In his roles at Shell Trading and Engage Energy, Mr. Tisdale managed financial aspects surrounding all gas and power trading activities for the Canadian operations and was a member of the leadership teams that contributed to North American and global finance initiatives.

Greg holds a Bachelor of Commerce degree from University of Alberta (with distinction), is a Chartered Accountant, is a member of the Institute of Chartered Accountants of Alberta and is a member of the Financial Executive Institute.

C. Neil Smith, Vice President, Engineering and Business Development

Mr. Smith is currently the Vice President, Engineering and Business Development of CPRL. Prior to joining CPRL in August 2003, Mr. Smith spent six years as the Manager, Business Development at PrimeWest Energy Inc. He was directly responsible for overseeing the evaluation and due diligence in respect of over \$1 billion of corporate and property acquisitions, as well being the lead negotiator on over \$100 million of asset transactions. He was part of the team that developed and executed successful acquisition strategies that grew PrimeWest Energy Trust from 10,000 boe/d to over 34,000 boe/d. Mr. Smith has over twenty years of industry business and technical experience, including four years with Coles Gilbert Associates Ltd., the predecessor to GLJ Petroleum Consultants and Amoco Canada Resources Ltd. His current duties include responsibility for all aspects of CPRL's capital, exploitation and evaluation activities, as well as participating, with the executive team, in sourcing business development opportunities.

Mr. Smith graduated in 1986 from the University of British Columbia with a Bachelor of Applied Science in Geological Engineering and is completing a Masters in Business Administration majoring in Finance in April 2006 at the University of Calgary's part-time program.

Dave Balutis, Vice President, Geosciences

Mr. Balutis is currently Vice President, Geosciences of CPRL. Previously, he was one of the founding shareholders and a senior development geologist of Crescent Point from July 2001 to the completion of the Arrangement. From September 1997 to June 2001, Mr. Balutis was employed as senior exploration and development geologist by Magin. From 1991 to 1997, Mr. Balutis was employed by Numac Energy Ltd., and its predecessor, in various levels of increasing responsibility including Team Leader, Project Manager and Manager of Development. His duties included implementation of exploration, development and acquisition strategies throughout southeast Saskatchewan and Alberta. Mr. Balutis commenced his career at Dome Petroleum in 1981 as an exploration and development geologist working throughout Alberta.

Mr. Balutis graduated in 1981 from the University of Alberta with a Bachelor of Science in Geology (Hons.). Mr. Balutis is a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta and has over 25 years of experience in the oil and gas industry.

Tamara MacDonald, Vice President, Land

Ms. MacDonald is currently the Vice President, Land of CPRL. Prior to joining CPRL in September 2004, Ms. MacDonald was Senior Landman at Petrofund Energy Trust ("Petrofund"), a Calgary based energy trust. From December 1997 to August 2004, Ms. MacDonald actively participated in Petrofund's growth from 4,000 boe/d to 37,000 boe/d. While at Petrofund, Ms. MacDonald was also exposed to over 30 separate drilling limited partnerships under the governing entity NCE Resources Group Inc., and was responsible for the negotiation and management of lands within each of such limited partnerships.

From July 1997 to November 1997, Ms. MacDonald was responsible for Alberta negotiations at Merit Oil & Gas, and from January 1997 to June 1997, she was responsible for the southern Alberta negotiations at Tarragon Oil & Gas. From May 1992 to December 1996, Ms.

MacDonald was employed by Northstar Energy Corporation as Landman with various responsibilities, including functions related to acquisitions and divestments.

Ms. MacDonald graduated in 1992 from the University of Calgary with a Bachelor of Commerce, majoring in Petroleum Land Management. Ms. MacDonald is a member of the Canadian Association of Petroleum Landmen and has over 14 years of experience in exploration and land acquisitions in the oil and gas industry.

Ken Lamont, Controller and Treasurer

Mr. Lamont is currently Controller and Treasurer of CPRL. Prior to joining Crescent Point in May 2005, Ken Lamont was the Director of Finance, Energy Management Group of Direct Energy. There, he was responsible for the financial supervision of gas and power trading activities for Direct Energy's Canadian operations and for upstream oil and gas production in the Western Canadian Sedimentary Basin. Previously, Mr. Lamont held senior management positions with Shell Trading Gas & Power Canada Ltd. where he was responsible for all aspects of finance pertaining to Canadian operations and with PricewaterhouseCoopers LLP as a senior manager in the audit and business advisory practice.

Mr. Lamont graduated with distinction from the University of Alberta with a Bachelor of Commerce. He is a Chartered Accountant and member of the Institute of Chartered Accountants of Alberta.

Mark Eade, Corporate Secretary

Mr. Eade has been a partner with the law firm McCarthy Tétrault LLP since 2001 practicing in the area of corporate and securities law.

Mr. Eade received his Bachelor of Commerce Degree (Hons.) from the University of Saskatchewan in 1989 and his Bachelor of Laws Degree from the University of Saskatchewan in 1993. He was called to the Alberta bar in 1994. Mr. Eade is a member of the Law Society of Alberta and the Canadian Bar Association.

Paul Colborne, Director

Mr. Colborne is currently the Chairman; CEO and Director of Tristar Oil and Gas Ltd., a Calgary based oil and gas company formed from the merger of Starpoint Energy Trust and Acclaim Energy Trust in January 2006. From September 2003 to January 2005, Mr. Colborne was the President and CEO of Starpoint Energy Ltd. Until its reorganization into Starpoint Energy Trust.

In addition, Mr. Colborne is the Chairman of the Board of Directors of Mission Oil & Gas Inc., a TSX listed junior oil and gas exploration company. Mr. Colborne is also a director of Titan Exploration Ltd., Canatic Resources Trust, Orleans Energy Ltd. and Breaker Energy Ltd., all publicly listed companies.

From October 2001 to August 2003, Mr. Colborne was a founder of and President and Chief Executive Officer of Crescent Point. From 1993 to February 2001, Mr. Colborne was the President and Chief Executive Officer of Startech Energy Inc. ("Startech"), a Calgary based intermediate oil and gas exploration and production company whose shares were listed on the TSX and on NASDAQ. Under Mr. Colborne's leadership and direction, Startech grew from two employees and production of 120 boe/d to more than 100 employees and production of over 16,000 boe/d in 2000. On February 1, 2001, Startech was acquired by ARC Energy Trust. At the time of its acquisition, Startech was on the TSX 300 sub-index as one of the larger public oil and gas companies in Canada.

Prior to joining Startech, Mr. Colborne was employed as a corporate finance and oil and gas lawyer with Wascana Energy Inc. and Husky Oil Ltd. and, prior to that, he was an associate with the Calgary law firm of Parlee McLaws.

A graduate of the University of Calgary, Mr. Colborne holds a Bachelor of Arts degree in Economics as well as a Bachelor of Laws degree. Mr. Colborne has authored and presented a number of papers relating to the oil and gas industry, including "Environmental Provisions in Oil and Gas Purchase and Sale Agreements" and "Euro-Offerings by Canadian Issuers". Mr. Colborne has over sixteen years experience in the oil and gas industry.

Kenney F. Cugnet, Director

Mr. Cugnet has been the owner and operator of a farm in Weyburn, Saskatchewan since 1963. Prior to the completion of the Arrangement, he was the Manager, Field Operations of Tappit and Chairman of the Board of Tappit. Mr. Cugnet is a director of Mission Oil & Gas Inc.; a public company and Medora Resources Inc. which is a private company.

Mr. Cugnet has been the President of Valleyview Petroleum Ltd., a private oil and gas company since 1979. Mr. Cugnet was a member of the Saskatchewan Surface Rights Arbitration Board from June 1987 to April 1992 and a director of Cypress Petroleum Corp. from November 1991 to May 1995.

D. Hugh Gillard, Director

Mr. Gillard has over thirty four years of business experience in the oil and gas industry and is the Principal of Saddleback Resources Ltd., a private company involved in equity investments and advisory roles in the energy sector. From June 2003 to March 2006 he was President, Chief Executive Officer and remains a director of Kelso Energy Inc., a publicly traded junior oil and gas company. From 1999 to 2000 he was President, Chief Operating Officer and a director of PrimeWest Energy Trust. From 1990 to 1998, he was employed by CanWest Gas Marketing Inc., a private producer owned gas marketing company. During this period Mr. Gillard initially served as Vice President, Gas Supply and then later as President and Chief Executive Officer. From 1972 to 1989, he held several senior positions with Ashland Oil Canada, Dome Petroleum and Amoco Canada.

Mr. Gillard is a graduate of the University of Calgary (Commerce) and the Stanford Business School Executive Program. Mr. Gillard currently serves as a director of Kelso Energy Inc. and Point North Energy Limited, both publicly traded junior oil and gas companies. He is a past member of the Management Advisory Council (University of Calgary) and is currently a Director and past Chairman of the Hospice Calgary Board of Directors.

Peter Bannister, Director and Chairman

Mr. Bannister is currently Vice-President, Exploration and a director of Mission Oil & Gas Inc. Previously, Mr. Bannister was Vice-President, Exploration of StarPoint Energy Ltd., prior to its conversion into StarPoint Energy Trust. Prior thereto, Mr. Bannister was actively involved in publicly traded oil and gas companies, serving as Vice President, Exploration and Development and a director of both Boomerang Resources Limited and Laurasia Resources Limited, before joining Startech in January 1998 as Vice President, Corporate Development. Mr. Bannister was appointed President and a director of Impact Energy Inc. in January 2001, following the sale of Startech to Arc Resources Ltd.

Mr. Bannister graduated from the University of Calgary in 1981 with a Major in Geology and a Minor in Economics.

Gregory G. Turnbull, Director

Mr. Turnbull has been a partner with the law firm of McCarthy Tétrault LLP since July 2002 and currently serves as the Regional Managing Partner of the Calgary office. Mr. Turnbull started his career with the law firm of MacKimmie Matthews in 1979. From 1987 to 2001, he was a partner with Gowlings LLP (formerly Code Hunter LLP). In 2001 and 2002, he was a partner with the law firm of Donahue LLP.

From March 1994 to December 1997, Mr. Turnbull was a director of Tri Ex Oil & Gas Ltd., a publicly traded company which was listed on the TSX prior to its acquisition by Real Resources Ltd. From December 1998 to June 2002, he was a director of Spire Energy Ltd., a publicly traded company which was listed on the TSX prior to its acquisition by Quintana Minerals. From May 1996 to March 2004, Mr. Turnbull was a director of Seventh Energy Ltd., a publicly traded company which was listed on the TSX prior to its acquisition by PrimeWest Gas Corp. From June 2003 to June 2004, he was a director of Storm Energy Ltd., a publicly traded company which was listed on the TSX prior to its acquisition by Harvest Energy Trust.

Mr. Turnbull is currently a director of Storm Exploration Inc., Hawk Energy Corp., Heritage Oil Corporation, Trimox Energy Inc., Castle Rock Petroleum Ltd. and Rally Energy Corp., all publicly traded entities listed on the TSX or TSX Venture Exchange.

Mr. Turnbull received his Bachelor of Arts (Honours) Degree from Queen's University in 1976 and his Bachelor of Laws Degree from the University of Toronto in 1979. He was called to the Alberta bar in 1980. Mr. Turnbull is a member of the Law Society of Alberta, the Canadian Bar Association and the Calgary Bar Association.

Gerald A. Romanzin

On March 26, 2004, Gerald A. Romanzin was appointed to the Board of Directors of CPRL. Gerald Romanzin is an independent Calgary businessman who serves as a director of FET Resources Ltd, Ketch Resources Ltd, Trimac Transportation Services Inc. and Kereco Energy Ltd. He also serves as a trustee of Trimac Income Fund. Mr. Romanzin was the Executive Vice President of the TSX Venture Exchange from November 1999 to April 2002 where he was responsible for overseeing the Corporate Finance and regional operations. In addition, he assumed the role of Acting President of the TSX Venture Exchange from December 2001 to April 2002. Mr. Romanzin is a

chartered accountant and was a financial analyst with the Alberta Securities Commission for four years prior to joining the Alberta Stock Exchange in 1987. Mr. Romanzin was the Executive Vice President of the Alberta Stock Exchange from June 1995 to its change to the TSX Venture Exchange.

Mr. Romanzin obtained a Bachelor of Commerce degree from the University of Calgary and is a member of the Institute of Chartered Accountants of Alberta.

Share Capital

CPRL is authorized to issue an unlimited number of common shares, an unlimited number of Non-Voting Common Shares, an unlimited number of Class A Preferred Shares, an unlimited number of exchangeable shares issuable in series, of which an unlimited number of Series A Exchangeable Shares (the "Exchangeable Shares") are authorized, an unlimited number of Class B Common Non-Voting Shares and an unlimited number of Class B Preferred Shares, Class C Preferred Shares and Class D Preferred Shares. The Trust is the sole holder of the issued and outstanding common shares and Class A Preferred Shares of CPRL. CPC Trust is the sole holder of the issued and outstanding Non-Voting Common Shares of CPRL. The Trust is the sole holder of the Class B Preferred Shares. 123309 and 1223360 are the holder of the Class D Preferred Shares.

Common Shares

Each common share ("Common Share") entitles its holder to receive notice of and to attend all meetings of the shareholders of CPRL and to one vote at such meetings. The holders of Common Shares are, at the discretion of the board of directors of CPRL and subject to applicable legal restrictions, and subject to certain preferences of holders of Exchangeable Shares, entitled to receive any dividends declared by the board of directors on the Common Shares to the exclusion of the holders of Exchangeable Shares, subject to the proviso that no dividends shall be paid on the Common Shares unless all declared dividends on the outstanding Exchangeable Shares have been paid in full. The holders of Common Shares are entitled to share equally in any distribution of the assets of CPRL upon the liquidation, dissolution, bankruptcy or winding up of CPRL or other distribution of its assets among its shareholders for the purpose of winding up its affairs. Such participation is subject to the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares and any other shares having priority over the Common Shares.

Non-Voting Common Shares

The holders of Non-Voting Common Shares ("Non-Voting Shares") are not entitled to receive notice of and to attend any meetings of the shareholders of CPRL, except as required by law. The holders of Non-Voting Shares are, at the discretion of the board of directors of CPRL and subject to applicable legal restrictions and to certain preferences of holders of Exchangeable Shares and Class A Preferred Shares, entitled to receive any dividends declared by the board of directors on the Non-Voting Shares to the exclusion of the holders of any other class of shares, subject to the proviso that no dividends shall be paid on the Non-Voting Shares unless all declared dividends on the outstanding Exchangeable Shares have been paid in full. The holders of Non-Voting Shares are entitled to share equally in any distribution of the assets of CPRL upon the liquidation, dissolution, bankruptcy or winding up of CPRL or other distribution of its assets among its shareholders for the purpose of winding up its affairs. Such participation is subject to the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares and any other shares having priority over the Non-Voting Shares.

Class A Preferred Shares

The holders of Class A Preferred Shares are not entitled to receive notice of and to attend any meetings of the shareholders of CPRL, except as required by law. Subject to the rights of the holders of Exchangeable Shares, a holder of Class A Preferred Shares shall be entitled to require CPRL to redeem at any time or times, all or any of the Class A Preferred Shares held by such holder by tendering to CPRL at its registered office a share certificate or certificates representing the Class A Preferred Shares which the holders desires to have CPRL redeem together with a request in writing. CPRL shall redeem the Class A Preferred Shares by paying an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares. The holders of Class A Preferred Shares, in respect of each Class A Preferred Share held, are entitled to receive an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares upon the liquidation, dissolution, bankruptcy or winding up of CPRL or other distribution of its assets among its shareholders for the purpose of winding up its affairs. The holders of Class A Preferred Shares shall not be entitled to share in any further distribution of the profits, property or assets of CPRL. Such participation is subject to the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares.

Class B Common Non-Voting Shares

The holders of Class B Non-Voting Common Shares (“Class B Non-Voting Shares”) are not entitled to receive notice of and to attend any meetings of the shareholders of CPRL, except as required by law. The holders of Class B Non-Voting Shares shall rank junior in priority to the Common Shares, Non-Voting Shares, Exchangeable Shares, Class A Preferred Shares and the Class B Preferred Shares with respect to the payment of dividends and the distribution of assets of CPRL in the event of a liquidation, dissolution or winding-up of CPRL. The Class B Non-Voting Shares are, at the discretion of the board of directors of CPRL and subject to applicable legal restrictions and to certain preferences of holders of any other class of share of CPRL, entitled to receive any dividends declared by the board of directors on the Class B Non-Voting Shares to the exclusion of the holders of any other class of shares. The holders of Class B Non-Voting Shares are entitled, subject to the rights of the holders of any other class of shares of CPRL entitled to receive assets of CPRL upon such distribution in priority to or concurrently with the holders of the Class B Non-Voting Shares, to participate in the distribution.

Class B Preferred Shares

The holders of Class B Preferred Shares are not entitled to receive notice of and to attend any meetings of the shareholders of CPRL, except as required by law. Subject to the rights of the holders of Exchangeable Shares, a holder of Class B Preferred Shares shall be entitled to require CPRL to redeem at any time or times, all or any of the Class B Preferred Shares held by such holder by tendering to CPRL at its registered office a share certificate or certificates representing the Class B Preferred Shares which the holders desires to have CPRL redeem together with a request in writing. CPRL shall redeem the Class B Preferred Shares by paying an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class B Preferred Shares. The holders of Class B Preferred Shares, in respect of each Class B Preferred Share held, are entitled to receive an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class B Preferred Shares upon the liquidation, dissolution, bankruptcy or winding up of CPRL or other distribution of its assets among its shareholders for the purpose of winding up its affairs. The holders of Class B Preferred Shares shall not be entitled to share in any further distribution of the profits, property or assets of CPRL. Such participation is subject to the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares and the Class A Preferred Shares.

Class C Preferred Shares

The holders of Class C Preferred Shares are not entitled to receive notice of and to attend any meetings of the shareholder of CPRL, except as required by law. Subject to the rights of the holders of Exchangeable Shares, a holder of Class C Preferred Shares shall be entitled to require CPRL to redeem at any time or times, all or any of the Class C Preferred Shares held by such holder by tendering to CPRL at its registered office a share certificate or certificates representing the Class C Preferred Shares which the holder desires to have CPRL redeem together with a request in writing. CPRL shall redeem the Class C Preferred Shares by paying an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class C Preferred Shares. The holders of Class C Preferred Shares, in respect of each Class C Preferred Share held, are entitled to receive an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class C Preferred Shares upon the liquidation, dissolution, bankruptcy or winding up of CPRL or other distribution of its assets among its shareholders for the purpose of winding up its affairs. The holders of Class C Preferred Shares shall not be entitled to share in any further distribution of the profits, property or assets of CPRL. Such participation is subject to the rights privileges, restrictions and conditions attaching to the Exchangeable Shares, the Class A Preferred Shares and the Class B Preferred Shares.

Class D Preferred Shares

The holders of Class D Preferred Shares are not entitled to attend or vote at any meetings of the shareholders of CPRL, except as required by law. The Class D Preferred Shares shall rank junior in priority to Exchangeable Shares, the Class A Preferred Shares, the Class B Preferred Shares and the Class C Preferred Shares with respect to the payment of dividends. Subject to the rights of the holders of Exchangeable Shares, a holder of Class D Preferred Shares shall be entitled to require CPRL to redeem at any time or times, all or any of the Class D Preferred Shares held by such holder by tendering to CPRL at its registered office a share certificate or certificates representing the Class D Preferred Shares which the holder desires to have CPRL redeem together with a request in writing. CPRL shall redeem the Class D Preferred Shares by paying an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class D Preferred Shares. The holders of Class D Preferred Shares, in respect of each Class D Preferred Share held, are entitled to receive an amount determined pursuant to the rights, privileges, restrictions and conditions attaching to the Class D Preferred Shares upon the liquidation, dissolution, bankruptcy or winding up of CPRL or other distribution of its assets among its shareholders for the purpose of winding up its affairs. The holders of Class D Preferred Shares shall not be entitled to share in any further distribution of the profits,

property or assets of CPRL. Such participation is subject to the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, the Class A Shares, the Class B Preferred Shares and the Class C Preferred Shares.

Exchangeable Shares

Each Exchangeable Share has economic rights (including the right to have the exchange ratio adjusted to account for distributions paid to Unitholders) and voting attributes (through the benefit of the Special Voting Right granted to the Voting and Exchange Trust Agreement Trustee) equivalent to those of the Trust Units into which they are exchangeable from time to time. In addition, holders of Exchangeable Shares have the right to receive Trust Units at any time in exchange for their Exchangeable Shares, on the basis of the exchange ratio in effect at the time of the exchange. Fractional Trust Units will not be delivered on any exchange of Exchangeable Shares. In the event that the exchange ratio in effect at the time of an exchange would otherwise entitle a holder of Exchangeable Shares to a fractional Trust Unit, the number of Trust Units to be delivered will be rounded down to the nearest whole number of Trust Units. Holders of Exchangeable Shares do not receive cash distributions from the Trust or CPRL. Rather, the exchange ratio is adjusted monthly to account for distributions paid to Unitholders.

Ranking

The Exchangeable Shares rank rateably with shares of any other series of exchangeable shares of CPRL and prior to any Common Shares and any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends, if any, that have been declared and the distribution of assets in the event of the liquidation, dissolution or winding up of CPRL.

Dividends

Holders of Exchangeable Shares are entitled to receive cash dividends if, as and when declared by the board of directors of CPRL. CPRL anticipates that it may from time to time declare dividends on the Exchangeable Shares up to but not exceeding any cash distributions on the Trust Units into which such Exchangeable Shares are exchangeable. In the event that any such dividends are paid, the exchange ratio will be correspondingly reduced to reflect such dividends.

Certain Restrictions

CPRL will not, without obtaining the approval of the holders of the Exchangeable Shares as set forth below under the subheading “*Amendment and Approval*”:

- (a) pay any dividend on the Common Shares or any other shares ranking junior to the Common Shares, other than stock dividends payable in Common Shares or any other shares ranking junior to the Exchangeable Shares;
- (b) redeem, purchase or make any capital distribution in respect of the Common Shares or any other shares ranking junior to the Exchangeable Shares;
- (c) redeem or purchase any other shares of CPRL ranking equally with the Exchangeable Shares with respect to the payment of dividends or on any liquidation distribution; or
- (d) amend the articles or by laws of CPRL in any manner that would affect the rights or privileges of the holders of Exchangeable Shares.

The restrictions in (a), (b) and (c) above do not apply if all declared dividends on the outstanding Exchangeable Shares have been paid in full.

Liquidation or Insolvency of CPRL

In the event of the liquidation, dissolution or winding up of CPRL or any other proposed distribution of the assets of CPRL among its shareholders for the purpose of winding up its affairs, a holder of Exchangeable Shares will be entitled to receive from CPRL, in respect of each such Exchangeable Share, that number of Trust Units equal to the exchange ratio as at the effective date of such event.

Upon the occurrence of such an event, the Trust and Crescent Point Exchange Ltd. (the “Trust Subsidiary”) will each have the overriding right to purchase all but not less than all of the Exchangeable Shares then outstanding (other than Exchangeable Shares held by the Trust or any subsidiary of the Trust) at a purchase price per Exchangeable Share to be satisfied by the issuance or delivery, as the case may be, of

that number of Trust Units equal to the exchange ratio at such time and, upon the exercise of this right, the holders thereof will be obligated to sell such Exchangeable Shares to the Trust or Trust Subsidiary, as applicable. This right may be exercised by either the Trust or Trust Subsidiary.

Upon the occurrence of an insolvency event (as defined in the Voting and Exchange Trust Agreement), the Voting and Exchange Trust Agreement Trustee on behalf of the holders of the Exchangeable Shares will have the right to require the Trust or Trust Subsidiary to purchase any or all of the Exchangeable Shares then outstanding and held by such holders at a purchase price per Exchangeable Share to be satisfied by the issuance or delivery, as the case may be, of that number of Trust Units equal to the exchange ratio at such time, as described under the subheading “*Voting and Exchange Trust Agreement - Optional Exchange Right*”.

Automatic Exchange Right on Liquidation of the Trust

The Voting and Exchange Trust Agreement provides that in the event of a Trust liquidation event, as described below, the Trust or Trust Subsidiary will be deemed to have purchased all outstanding Exchangeable Shares and each holder of Exchangeable Shares will be deemed to have sold their Exchangeable Shares immediately prior to such Trust liquidation event at a purchase price per Exchangeable Share to be satisfied by the issuance or delivery, as the case may be, of that number of Trust Units equal to the exchange ratio at such time. “Trust liquidation event” means:

- (a) any determination by the Trust to institute voluntary liquidation, dissolution or winding up proceedings in respect of the Trust or to effect any other distribution of assets of the Trust among the Unitholders for the purpose of winding up its affairs; or
- (b) the earlier of, the Trust's receiving notice of and the Trust's otherwise becoming aware of, any threatened or instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding up of the Trust or to effect any other distribution of assets of the Trust among the Unitholders for the purpose of winding up its affairs in each case where the Trust has failed to contest in good faith such proceeding within 30 days of becoming aware thereof.

Retraction of Exchangeable Shares by Holders and Retraction Call Right

Subject to the Retraction Call Right of the Trust and Trust Subsidiary described below, a holder of Exchangeable Shares is entitled at any time to require CPRL to redeem any or all of the Exchangeable Shares held by such holder for a retraction price (the “Retraction Price”) per Exchangeable Share equal to the value of that number of Trust Units equal to the exchange ratio as at the date of redemption (the “Retraction Date”), to be satisfied by the delivery of such number of Trust Units. Fractional Trust Units will not be delivered. Any amount payable on account of the Retraction Price that includes a fractional Trust Unit will be rounded down to the nearest whole number of Trust Units. Holders of the Exchangeable Shares may request redemption by presenting to CPRL or the transfer agent for the Exchangeable Shares a certificate or certificates representing the number of Exchangeable Shares the holder desires to have redeemed, together with a duly executed retraction request and such other documents as may be reasonably required to effect the redemption of the Exchangeable Shares. Subject to extension as described below, the redemption will become effective on the Retraction Date, which will be seven business days after the date on which CPRL or the transfer agent receives the retraction notice. Unless otherwise requested by the holder and agreed to by CPRL, the Retraction Date will not occur on such seventh business day if such day would occur between any distribution record date and the distribution payment date that corresponds to such distribution record date. In this case, the Retraction Date will instead occur on such Distribution Payment Date. The reason for this is to ensure that the exchange ratio used in connection with such redemption is increased to account for the distribution.

When a holder requests CPRL to redeem the Exchangeable Shares, the Trust and Trust Subsidiary will have an overriding right (the “Retraction Call Right”) to purchase on the Retraction Date all but not less than all of the Exchangeable Shares that the holder has requested CPRL to redeem at a purchase price per Exchangeable Share equal to the Retraction Price, to be satisfied by the delivery of that number of Trust Units equal to the exchange ratio at such time. At the time of a retraction request by a holder of Exchangeable Shares, CPRL will immediately notify the Trust and Trust Subsidiary. The Trust or Trust Subsidiary must then advise CPRL within two business days as to whether the Retraction Call Right will be exercised. A holder may revoke his or her retraction request at any time prior to the close of business on the last business day immediately preceding the Retraction Date, in which case the holder's Exchangeable Shares will neither be purchased by the Trust or Trust Subsidiary nor be redeemed by CPRL. If the holder does not revoke his or her retraction

request, the Exchangeable Shares that the holder has requested CPRL to redeem will on the Retraction Date be purchased by the Trust or Trust Subsidiary or redeemed by CPRL, as the case may be, in each case at a purchase price per Exchangeable Share equal to the Retraction Price. In addition, a holder of Exchangeable Shares may elect to instruct the Voting and Exchange Trust Agreement Trustee to exercise the optional exchange right (the “Optional Exchange Right”) to require the Trust or Trust Subsidiary to acquire such holder’s Exchangeable Shares in circumstances where neither the Trust nor Trust Subsidiary have exercised the Retraction Call Right. See “*Exchangeable Shares - Voting and Exchange Trust Agreement - Optional Exchange Right*”.

The Retraction Call Right may be exercised by either the Trust or Trust Subsidiary. If, as a result of solvency provisions of applicable law, CPRL is not permitted to redeem all Exchangeable Shares tendered by a retracting holder, CPRL will redeem only those Exchangeable Shares tendered by the holder as would not be contrary to such provisions of applicable law. The holder of any Exchangeable Shares not redeemed by CPRL will be deemed to have required the Trust to purchase such unretracted Exchangeable Shares in exchange for Trust Units on the Retraction Date pursuant to the Optional Exchange Right. See “*Voting and Exchange Trust Agreement - Optional Exchange Right*”.

Redemption of Exchangeable Shares

Subject to applicable law and the Redemption Call Right of the Trust and Trust Subsidiary, CPRL:

- (a) will, on the tenth anniversary of the effective date of the Arrangement, subject to extension of such date by the board of directors of CPRL (the “Automatic Redemption Date”), redeem all but not less than all of the then outstanding Exchangeable Shares for a redemption price per Exchangeable Share equal to the value of that number of Trust Units equal to the exchange ratio as at that Redemption Date (as that term is defined below) (the “Redemption Price”), to be satisfied by the delivery of such number of Trust Units; and
- (b) may, at any time when the aggregate number of issued and outstanding Exchangeable Shares is less than 1,000,000 (other than Exchangeable Shares held by the Trust and its subsidiaries and as such shares may be adjusted from time to time) (the “De Minimis Redemption Date” and, collectively with the Automatic Redemption Date, a “Redemption Date”), redeem all but not less than all of the then outstanding Exchangeable Shares for the Redemption Price per Exchangeable Share (unless contested in good faith by the Trust).

CPRL will, at least 45 days prior to any Redemption Date, provide the registered holders of the Exchangeable Shares with written notice of the prospective redemption of the Exchangeable Shares by CPRL.

The Trust and Trust Subsidiary will have the right (the “Redemption Call Right”), notwithstanding a proposed redemption of the Exchangeable Shares by CPRL on the applicable Redemption Date, pursuant to the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, to purchase on any Redemption Date all but not less than all of the Exchangeable Shares then outstanding (other than Exchangeable Shares held by the Trust or its subsidiaries) in exchange for the Redemption Price per Exchangeable Share and, upon the exercise of the Redemption Call Right, the holders of all of the then outstanding Exchangeable Shares will be obliged to sell all such shares to the Trust or Trust Subsidiary, as applicable. If either the Trust or Trust Subsidiary exercises the Redemption Call Right, then CPRL’s right to redeem the Exchangeable Shares on the applicable Redemption Date will terminate. The Redemption Call Right may be exercised by either the Trust or Trust Subsidiary.

Voting Rights

Except as required by applicable law, the holders of the Exchangeable Shares are not entitled to receive notice of or attend any meeting of the shareholders of CPRL or to vote at any such meeting. Holders of Exchangeable Shares have the notice and voting rights respecting meetings of the Trust that are provided in the Voting and Exchange Trust Agreement. See “*Voting and Exchange Trust Agreement - Voting Rights*”.

Amendment and Approval

The rights, privileges, restrictions and conditions attaching to the Exchangeable Shares may be changed only with the approval of the holders thereof. Any such approval or any other approval or consent to be given by the holders of the Exchangeable Shares will be sufficiently given if given in accordance with applicable law and subject to a minimum requirement that such approval or consent be evidenced by a resolution passed by not less than two thirds of the votes cast thereon (other than shares beneficially owned by the Trust, or any of its subsidiaries and other affiliates) at a meeting of the holders of the Exchangeable Shares duly called and held at which holders of at

least 10% of the then outstanding Exchangeable Shares are present in person or represented by proxy. In the event that no such quorum is present at such meeting within one half hour after the time appointed therefor, then the meeting will be adjourned to such place and time (not less than ten days later) as may be determined at the original meeting and the holders of Exchangeable Shares present in person or represented by proxy at the adjourned meeting will constitute a quorum thereat and may transact the business for which the meeting was originally called. At the adjourned meeting, a resolution passed by the affirmative vote of not less than two thirds of the votes cast thereon (other than shares beneficially owned by the Trust or any of its subsidiaries and other affiliates) will constitute the approval or consent of the holders of the Exchangeable Shares.

Actions by the Trust under the Support Agreement and the Voting and Exchange Trust Agreement

Under the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, CPRL will agree to take all such actions and do all such things as are necessary or advisable to perform and comply with its obligations under, and to ensure the performance and compliance by the Trust and Trust Subsidiary with its obligations under, the Support Agreement and the Voting and Exchange Trust Agreement.

Voting and Exchange Trust Agreement

Voting Rights

Pursuant to the Arrangement and in accordance with the Voting and Exchange Trust Agreement, the Trust has issued a Special Voting Right to Olympia Trust Company, the Voting and Exchange Trust Agreement Trustee, for the benefit of the holders (other than the Trust and Trust Subsidiary) of the Exchangeable Shares. The Special Voting Right carries a number of votes, exercisable at any meeting at which Unitholders are entitled to vote, equal to the number of Trust Units (rounded down to the nearest whole number) into which the Exchangeable Shares are then exchangeable multiplied by the number of votes to which the holder of one Trust Unit is then entitled. With respect to any written consent sought from the Unitholders, each vote attached to the Special Voting Right is exercisable in the same manner as set forth above.

Each holder of an Exchangeable Share on the record date for any meeting at which Unitholders are entitled to vote is entitled to instruct the Voting and Exchange Trust Agreement Trustee to exercise that number of votes attached to the Special Voting Right which relate to the Exchangeable Shares held by such holder. The Voting and Exchange Trust Agreement Trustee will exercise each vote attached to the Special Voting Right only as directed by the relevant holder and, in the absence of instructions from a holder as to voting, will not exercise such votes.

The Voting and Exchange Trust Agreement Trustee will send to the holders of the Exchangeable Shares the notice of each meeting at which the Unitholders are entitled to vote, together with the related meeting materials and a statement as to the manner in which the holder may instruct the Voting and Exchange Trust Agreement Trustee to exercise the votes attaching to the Special Voting Right, at the same time as the Trust sends such notice and materials to the Unitholders. The Voting and Exchange Trust Agreement Trustee will also send to the holders copies of all information statements, interim and annual financial statements, reports and other materials sent by the Trust to the Unitholders at the same time as such materials are sent to the Unitholders. To the extent such materials are provided to the Voting and Exchange Trust Agreement Trustee by the Trust, the Voting and Exchange Trust Agreement Trustee will also send to the holders all materials sent by third parties to Unitholders, including dissident proxy circulars and tender and exchange offer circulars, as soon as possible after such materials are first sent to Unitholders.

All rights of a holder of Exchangeable Shares to exercise votes attached to the Special Voting Right will cease upon the exchange of all such holder's Exchangeable Shares for Trust Units. With the exception of administrative changes for the purpose of adding covenants for the protection of the holders of the Exchangeable Shares, making necessary amendments or curing ambiguities or clerical errors (in each case provided that the board of directors of Trust Subsidiary and CPRL are of the opinion that such amendments are not prejudicial to the interests of the holders of the Exchangeable Shares), the Voting and Exchange Trust Agreement may not be amended without the approval of the holders of the Exchangeable Shares.

Optional Exchange Right

Upon the occurrence and during the continuance of:

- (a) an insolvency event; or

- (b) circumstances in which the Trust or Trust Subsidiary may exercise a Call Right, but elect not to exercise such Call Right;

a holder of Exchangeable Shares is entitled to instruct the Trustee to exercise the Optional Exchange Right with respect to any or all of the Exchangeable Shares held by such holder, thereby requiring the Trust or Trust Subsidiary to purchase such Exchangeable Shares from the holder. Immediately upon the occurrence of (i) an insolvency event, (ii) any event which will, with the passage of time or the giving of notice, become an insolvency event, or (iii) the election by the Trust and Trust Subsidiary not to exercise a Call Right which is then exercisable by the Trust and Trust Subsidiary, CPRL, the Trust or Trust Subsidiary will give notice thereof to the Voting and Exchange Trust Agreement Trustee. As soon as practicable thereafter, the Voting and Exchange Trust Agreement Trustee will then notify each affected holder of Exchangeable Shares (who has not already provided instructions respecting the exercise of the Optional Exchange Right) of such event or potential event and will advise such holder of its rights with respect to the Optional Exchange Right.

The purchase price payable by the Trust or Trust Subsidiary for each Exchangeable Share to be purchased under the Optional Exchange Right will be satisfied by the issuance of that number of Trust Units equal to the exchange ratio as at the day of closing of the purchase and sale of such Exchangeable Share under the Exchange Right (the "Exchange Price").

If, as a result of solvency provisions of applicable law, CPRL is unable to redeem all of a holder's Exchangeable Shares which such holder is entitled to have redeemed in accordance with the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, the holder will be deemed to have exercised the Optional Exchange Right with respect to the unredeemed Exchangeable Shares and the Trust or Trust Subsidiary will be required to purchase such shares from the holder in the manner set forth above.

Support Agreement

Under the Support Agreement, the Trust has agreed that:

- (a) the Trust will take all actions and do all things necessary to ensure that CPRL is able to pay to the holders of the Exchangeable Shares all amounts to which they are entitled in the event of a liquidation, dissolution or winding up of CPRL, the Retraction Price in the event a retraction request by a holder of Exchangeable Shares, or the Redemption Price in the event of a redemption of Exchangeable Shares by CPRL; and
- (b) the Trust will not vote or otherwise take any action or omit to take any action causing the liquidation, dissolution or winding up of CPRL.

The Support Agreement also provides that the Trust will not issue or distribute to the holders of all or substantially all of the outstanding Trust Units:

- (a) additional Trust Units or securities convertible into Trust Units;
- (b) rights, options or warrants for the purchase of Trust Units; or
- (c) units or securities of the Trust other than Trust Units, evidences of indebtedness of the Trust or other assets of the Trust;

unless the same or an equivalent distribution is made to holders of Exchangeable Shares, an equivalent change is made to the Exchangeable Shares, such issuance or distribution is made in connection with a distribution reinvestment plan instituted for holders of Trust Units or a unitholder rights protection plan approved for holders of Trust Units by the board of directors of CPRL or the approval of holders of Exchangeable Shares has been obtained.

In addition, the Trust may not subdivide, reduce, consolidate, reclassify or otherwise change the terms of the Trust Units unless an equivalent change is made to the Exchangeable Shares or the approval of the holders of Exchangeable Shares has been obtained.

In the event of any proposed take-over bid, issuer bid or similar transaction affecting the Trust Units, the Trust will use reasonable efforts to take all actions necessary or desirable to enable holders of Exchangeable Shares to participate in such transaction to the same extent and on an economically equivalent basis as the Unitholders.

The Support Agreement also provides that, as long as any outstanding Exchangeable Shares are owned by any person or entity other than the Trust or any of its respective subsidiaries and other affiliates, the Trust will, unless approval to do otherwise is obtained from the holders of Exchangeable Shares, remain the direct or indirect beneficial owner collectively of more than 50% of all of the issued and

outstanding voting securities of CPRL, provided that the Trust will not be in violation of this obligation if a party acquires all or substantially all of the assets of the Trust. With the exception of administrative changes for the purpose of adding covenants for the protection of the holders of the Exchangeable Shares, making certain necessary amendments or curing ambiguities or clerical errors (in each case provided that the board of directors of CPRL and the Trustee are of the opinion that such amendments are not prejudicial to the interests of the holders of the Exchangeable Shares), the Support Agreement may not be amended without the approval of the holders of the Exchangeable Shares.

Under the Support Agreement, the Trust has agreed to not exercise any voting rights attached to the Exchangeable Shares owned by it or any of its respective subsidiaries and other affiliates on any matter considered at meetings of holders of Exchangeable Shares (including any approval sought from such holders in respect of matters arising under the Support Agreement).

Delivery of Trust Units

The Trust will make such filings and seek such regulatory consents and approvals as are necessary so that the Trust Units issuable upon the exchange of any outstanding Exchangeable Shares will be issued in compliance with applicable securities laws in Canada and may be traded freely on the TSX or such other exchange on which the Trust Units may be listed, quoted or posted for trading from time to time.

Administration Agreement

CPRL has generally been delegated the significant management decisions of the Trust. In particular, pursuant to an agreement dated as of the effective date of the Arrangement between CPRL and the Trust (the "Administration Agreement"), CPRL has been delegated the responsibility for any and all matters relating to the following: (i) an offering of securities of the Trust; (ii) ensuring compliance with all applicable laws, including in relation to an offering of securities of the Trust; (iii) all matters relating to the content of any offering documents, the accuracy of the disclosure contained therein and the certification thereof; (iv) all matters concerning the terms of, and amendment from time to time of the material contracts of the Trust; (v) all matters concerning any underwriting or agency agreement providing for the sale of Trust Units or rights to Trust Units; (vi) all matters relating to the redemption of Trust Units; (vii) all matters relating to the voting rights on any of the Trust's investments or any subsequent investments; and (viii) all matters relating to the specific powers and authorities as set forth in the Trust Indenture.

Management and Technical Services Agreement

CPRL manages, administers and operates the assets of the Limited Partnership pursuant to a management and technical services agreement dated as of the effective date of the Arrangement between CPRL and CPGP.

The Note

The following summary of the material attributes and characteristics of the Note does not purport to be complete and is qualified in its entirety by reference to the provisions of the note indenture (the "Note Indenture") dated September 5, 2003 and made between CPRL and Olympia Trust Company, as trustee (the "Note Trustee"), which contains a complete statement of such attributes and characteristics. The Note has been (and further notes which may be issued pursuant to the Trust Indenture will be) issued under the Note Indenture.

Terms and Issue of Notes

The Note was created and issued by CPRL to the Trust pursuant to the Arrangement. The Note is unsecured and bears interest from the date of issue at 14% per annum. Interest is payable for each month during the term on the 15th day of the month following such month.

Although, pursuant to the terms of the Note Indenture, CPRL is permitted to make payments against the principal amount of the Note outstanding from time to time without notice or bonus, CPRL is not required to make any payment in respect of principal until December 1, 2033, subject to extension in the limited circumstances provided in the Note Indenture.

In contemplation of the possibility that additional notes may be distributed to Trust Unitholders upon the redemption of their Trust Units, the Note Indenture provides that if persons other than the Trust (the "Non-Fund Holders") own notes having an aggregate principal amount in excess of \$1 million, either the Trust or the Non-Fund Holders shall be entitled, among other things, to require the Note Trustee to exercise the powers and remedies available under the Note Indenture upon an event of default and, with the Trust, the Non-Fund Holders may provide consents, waivers or directions relating generally to the variance of the Note Indenture and the rights of noteholders. The Note Indenture allows the Trust flexibility to delay payments of interest or principal otherwise due to it while payment is made to other noteholders, and to allow other noteholders to be paid out before the Trust. Any delayed payments will be due five days after demand.

Principal and interest on the Note (and any additional notes) is payable in lawful money of Canada directly to each holder of a note at such holder's address set forth in the register of holders of notes.

Ranking

The Note is an unsecured debt obligation of CPRL and ranks *pari passu* with all other unsecured indebtedness of CPRL, but subordinate to all secured debt.

Events of Default

The Note Indenture provides that any of the following shall constitute an event of default: (i) default in payment of the principal of the Note (or any additional notes) when required; (ii) the failure to pay all of the interest obligations on the Note (or any additional note) for a period of 90 days; (iii) if CPRL has defaulted and a demand for payment has been made under any material instrument, indenture or document evidencing indebtedness of more than \$5 million and CPRL has failed to remedy such default within applicable curative periods; (iv) certain events of winding up, liquidation, bankruptcy, insolvency, receivership or seizure; and (v) default in the observance or performance of any other covenant or condition of the Note Indenture and continuance of such default for a period of 30 days after notice in writing has been given by the Note Trustee to CPRL specifying such default and requiring CPRL to rectify the same.

INDUSTRY CONDITIONS

The oil and natural gas industry is subject to extensive controls and regulations imposed by various levels of government. It is not expected that any of these controls or regulations will affect our operations in a manner materially different than they would affect other oil and gas companies and trusts of similar size. All current legislation is a matter of public record, and we are unable to predict what additional legislation or amendments may be enacted.

Pricing and Marketing – Natural Gas

In Canada, the price of natural gas sold intra-provincially or to the United States is determined by negotiation between buyers and sellers. Natural gas exported from Canada is subject to regulation by the National Energy Board (“NEB”) and the government of Canada. Exporters are free to negotiate prices and other terms with purchasers, provided that the export contracts continue to meet certain criteria prescribed by the NEB and the government of Canada. Natural gas exports for a term of less than two years requires a general short term export license while terms greater than two years require a specific license for the particular gas sold (in quantities of not more than 30,000 m³/d). Any natural gas export to be made pursuant to a contract of longer duration (to a maximum of 25 years) or a larger quantity requires an exporter to obtain an export licence from the NEB and the issue of such a licence requires the approval of the Governor in Council.

The governments of Alberta, British Columbia and Saskatchewan also regulate the volume of natural gas, which may be removed from those provinces for consumption elsewhere based on such factors as reserve availability, transportation arrangements and market considerations.

Pricing and Marketing – Oil

In Canada, producers of oil negotiate sales contracts directly with oil purchasers. Oil prices are primarily based on worldwide supply and demand. The specific price paid depends in part on oil quality, prices of competing fuels, distance to market, the value of refined products and the supply/demand balance. Oil exports may be made pursuant to export contracts with terms not exceeding one year in the case of light crude oil, and not exceeding two years in the case of heavy crude oil, provided that an order approving any such export has been obtained from the NEB. Any oil export to be made pursuant to a contract of longer duration (to a maximum of 25 years) requires an exporter to obtain an export licence from the NEB and the issue of such a licence requires the approval of the Governor in Council.

The North American Free Trade Agreement

On January 1, 1994, the North American Free Trade Agreement (“NAFTA”) among the governments of Canada, the U.S. and Mexico became effective. The NAFTA carries forward most of the material energy terms contained in the Canada-U.S. Free Trade Agreement. In the context of energy resources, Canada continues to remain free to determine whether exports to the U.S. or Mexico will be allowed provided that any export restrictions do not: (i) reduce the proportion of energy resource exported relative to domestic use (based upon the proportion prevailing in the most recent 36-month period), (ii) impose an export price higher than the domestic price; and (iii) disrupt normal channels of supply. All three countries are prohibited from imposing minimum export or import price requirements.

The NAFTA contemplates the reduction of Mexican restrictive trade practices in the energy sector and prohibits discriminatory border restrictions and export taxes. The agreement also contemplates clearer disciplines on regulators to ensure fair implementation of any regulatory changes, and to minimize disruption of contractual arrangements, which is important for Canadian natural gas exports.

Royalties and Incentives

In addition to federal regulation, each province has legislation and regulations, which govern land tenure, royalties, production rates, environmental protection and other matters. In all Canadian jurisdictions, producers of oil and natural gas are required to pay annual rental payments in respect of Crown leases and royalties and freehold production taxes in respect of oil and natural gas produced from Crown and freehold lands, respectively. The royalty regime is a significant factor in the profitability of oil and natural gas production. Royalties payable on production from lands other than Crown lands are determined by negotiations between the mineral owner and the lessee. Crown royalties are determined by governmental regulation and are generally calculated as a percentage of the value of the gross production, and the rate of royalties payable generally depends in part on prescribed reference prices, well productivity, geographical location, field discovery date and the type or quality of the petroleum product produced.

From time to time the governments of Canada, Alberta, British Columbia and Saskatchewan have established incentive programs which have included royalty-rate reductions, royalty holidays and tax credits for the purpose of encouraging oil and natural gas exploration or enhanced recovery projects. These programs reduce the amount of Crown royalties otherwise payable.

Environmental Regulation

The oil and natural gas industry is subject to environmental regulation pursuant to local, provincial and federal legislation. Environmental legislation provides for restrictions and prohibitions on releases or emissions of various substances produced in association with certain oil and natural gas industry operations, and can affect the location of wells and facilities and the extent to which exploration and development is permitted. In addition, legislation requires that well and facilities sites be abandoned and reclaimed to the satisfaction of provincial authorities. A breach of that legislation may result in the imposition of fines or issuance of clean-up orders.

We are committed to meeting our responsibilities to protect the environment wherever we operate and anticipate making increased expenditures of both a capital and expense nature as a result of the increasingly stringent laws relating to the protection of the environment. Our internal procedures are designed to ensure that the environmental aspects of new developments are taken into account prior to proceeding. We believe that we are in material compliance with applicable environmental laws and regulations.

Kyoto Protocol

In December of 2002, Canada became a signatory to the 1997 Kyoto Protocol to the United Nation's Framework Convention on Climate Change (the "Kyoto Protocol"). The implementation of this plan has not been fully defined by the federal government. Until an implementation plan is developed it is impossible to assess the impact on specific industries and individual businesses within an industry. It is generally believed that the oil and gas industry, as a major producer of carbon dioxide (as a necessary by-product and emission of hydrocarbon production), will bear a disproportionately large share of the anticipated cost of implementation.

RISK FACTORS

The following are certain risk factors relating to our business which prospective investors should carefully consider before deciding whether to purchase Trust Units.

Reserve Estimates

The reserve and recovery information contained in the GLJ Report is only an estimate and the actual production and ultimate reserves from our properties may be greater or less than the estimates prepared by GLJ. Ultimately, actual reserves attributable to our properties will vary from estimates, and those variations may be material. The reserve figures contained herein are only estimates. A number of factors are considered and a number of assumptions are made when estimating reserves. These factors and assumptions include, among others:

- historical production in the area compared with production rates from similar producing areas;
- future commodity prices, production and development costs, royalties and capital expenditures;
- initial production rates;

- production decline rates;
- ultimate recovery of reserves;
- success of future development activities;
- marketability of production;
- effects of government regulation; and
- other government levies that may be imposed over the producing life of reserves.

Reserve estimates are based on the relevant factors, assumptions and prices on the date the relevant evaluations were prepared. Many of these factors are subject to change and are beyond our control. If these factors, assumptions and prices prove to be inaccurate, actual results may vary materially from reserve estimates and such variations may affect the market price of our Trust Units and distributions to Unitholders.

Volatility of Oil and Natural Gas Prices

Our results of operations and financial condition are dependent on the prices received for our oil and natural gas production. Oil and natural gas prices have fluctuated widely during recent years and are subject to fluctuations in response to relatively minor changes in supply, demand, market uncertainty and other factors that are beyond our control. These factors include, but are not limited to, worldwide political instability, foreign supply of oil and natural gas, the level of consumer product demand, government regulations and taxes, the price and availability of alternative fuels and the overall economic environment. Any decline in crude oil or natural gas prices may have a material adverse effect on our operations, financial condition, borrowing ability, reserves and the level of expenditures for the development of oil and natural gas reserves. Any resulting decline in our cash flow could reduce distributions.

We use financial derivative instruments and other hedging mechanisms to try to limit a portion of the adverse effects resulting from changes in natural gas and oil commodity prices. To the extent we hedge our commodity price exposure, we forego the benefits we would otherwise experience if commodity prices were to increase. In addition, our commodity hedging activities could expose us to losses. Such losses could occur under various circumstances, including where the other party to a hedge does not perform its obligations under the hedge agreement, the hedge is imperfect or our hedging policies and procedures are not followed. Furthermore, we cannot guarantee that such hedging transactions will fully offset the risks of changes in commodities prices.

In addition, we regularly assess the carrying value of our assets in accordance with Canadian generally accepted accounting principles under the full cost method. If oil and natural gas prices become depressed or decline, the carrying value of our assets could be subject to downward revision.

Operating Costs and Production Levels

An increase in operating costs or a decline in our production level could have a material adverse effect on our results of operations and financial condition and, therefore, could reduce distributions to Unitholders as well as affect the market price of the Trust Units.

Higher operating costs for our underlying properties will directly decrease the amount of cash flow received by the Trust and, therefore, may reduce distributions to our Unitholders. Electricity, chemicals, supplies, reclamation and abandonment and labour costs are a few of the operating costs that are susceptible to material fluctuation.

The level of production from our existing properties may decline at rates greater than anticipated due to unforeseen circumstances, many of which are beyond our control. A significant decline in our production could result in materially lower revenues and cash flow and, therefore, could reduce the amount available for distributions to Unitholders.

Reinvestment of Cash Flow to Fund Ongoing Operations

Distributions may be reduced during periods in which we make capital expenditures or debt repayments using cash flow, which could also affect the market price of our Trust Units. To the extent that we use cash flow to finance acquisitions, development costs and other significant expenditures, the net cash flow that the Trust receives that is available for distribution to Unitholders will be reduced. Hence, the timing and amount of capital expenditures may affect the amount of net cash flow received by the Trust and, as a consequence, the

amount of cash available to distribute to Unitholders. Therefore, distributions may be reduced, or even eliminated, at times when significant capital or other expenditures are made.

The board of directors of CPRL has the discretion to determine the extent to which cash flow from CPRL will be allocated to the payment of debt service charges as well as the repayment of outstanding debt, including under the credit facility. As a consequence, the amount of funds used to pay debt service charges or reduce debt will reduce the amount of cash available for distribution to Unitholders during those periods in which funds are so retained.

Marketing of Oil and Natural Gas Production

A decline in our ability to market our oil and natural gas production could have a material adverse effect on production levels or on the prices that we receive for our production which, in turn, could reduce distributions to Unitholders and affect the market price of our Trust Units.

Our business depends in part upon the availability, proximity and capacity of gas gathering systems, pipelines and processing facilities. Canadian federal and provincial, as well as United States federal and state, regulation of oil and gas production, processing and transportation, tax and energy policies, general economic conditions, and changes in supply and demand could adversely affect our ability to produce and market oil and natural gas. If market factors change and inhibit the marketing of our production, overall production or realized prices may decline, which could reduce distributions to our Unitholders.

Fluctuations in Foreign Currency Exchange Rates

Fluctuations in foreign currency exchange rates could adversely affect our business, and could affect the market price of our Trust Units and distributions to Unitholders. The price that we receive for a majority of our oil and natural gas is based on United States dollar denominated benchmarks, and, therefore, the price that we receive in Canadian dollars is affected by the exchange rate between the two currencies. A material increase in the value of the Canadian dollar relative to the United States dollar may negatively impact net production revenue by decreasing the Canadian dollars received for a given United States dollar price, negatively impacting future distributions and the future value of the Trust's reserves as determined by independent evaluators. We could be subject to unfavourable price changes to the extent that we have engaged, or in the future engage, in risk management activities related to foreign exchange rates, through entry into forward foreign exchange contracts or otherwise.

Acquisition of Additional Reserves

If we are unable to acquire additional reserves, the value of our Trust Units and distributions to Unitholders may decline. We do not actively explore for oil and natural gas reserves. Instead, we add to our oil and natural gas reserves primarily through development, exploitation and acquisitions. As a result, future oil and natural gas reserves are highly dependent on our success in exploiting existing properties and acquiring additional reserves. We also distribute the majority of our net cash flow to Unitholders rather than reinvesting it in reserve additions. Accordingly, if external sources of capital, including the issuance of additional Trust Units, become limited or unavailable on commercially reasonable terms, our ability to make the necessary capital investments to maintain or expand our oil and natural gas reserves will be impaired. To the extent that we are required to use cash flow to finance capital expenditures or property acquisitions, the level of cash flow available for distribution to Unitholders will be reduced. Additionally, we cannot guarantee that we will be successful in developing additional reserves or acquiring additional reserves on terms that meet our investment objectives. Without these reserve additions, our reserves will deplete and as a consequence, either production from, or the average reserve life of, our properties will decline. Either decline may result in a reduction in the value of our Trust Units and in a reduction in cash available for distributions to Unitholders.

Scope of Operations

If we expand our operations beyond oil and natural gas production in western Canada, we may face new challenges and risks. If we were unsuccessful in managing these challenges and risks, our results of operations and financial condition could be adversely affected, which could affect the market price of our Trust Units and distributions to Unitholders.

Our operations and expertise are currently focused on conventional oil and gas production and development in the Western Canadian Sedimentary Basin. In the future, we may acquire oil and gas properties outside this geographic area. In addition, the Trust Indenture does not limit the activities to oil and gas production and development, and we could acquire other energy related assets, such as oil and natural gas processing plants or pipelines. Expansion of our activities into new areas may present challenges and risks that we have not faced in the

past. If we do not manage these challenges and risks successfully, our results of operations and financial condition could be adversely affected.

Reliance on Reserve Estimates

In determining the purchase price of acquisitions, we rely on both internal and external assessments relating to estimates of reserves that may prove to be materially inaccurate. Such reliance could adversely affect the market price of our Trust Units and distributions to Unitholders.

The price we are willing to pay for reserve acquisitions is based largely on estimates of the reserves to be acquired. Actual reserves could vary materially from these estimates. Consequently, the reserves we acquire may be less than expected, which could adversely impact cash flows and distributions to Unitholders. An initial assessment of an acquisition may be based on a report by engineers or firms of engineers that have different evaluation methods and approaches than those of our engineers, and these initial assessments may differ significantly from our subsequent assessments.

Operational Matters

Some of our properties are not operated by us and, therefore, results of operations may be adversely affected by the failure of third-party operators, which could affect the market price of our Trust Units and distributions to Unitholders.

The continuing production from a property, and to some extent the marketing of that production, is dependent upon the ability of the operators of those properties. At December 31, 2005, approximately 12% of our daily production was from properties operated by third parties. To the extent a third-party operator fails to perform its functions efficiently or becomes insolvent, our revenue may be reduced. Third party operators also make estimates of future capital expenditures more difficult.

Further, the operating agreements which govern the properties not operated by us typically require the operator to conduct operations in a good and “workmanlike” manner. These operating agreements generally provide, however, that the operator has no liability to the other non-operating working interest owners, such as Unitholders, for losses sustained or liabilities incurred, except for liabilities that may result from gross negligence or wilful misconduct.

Delays in Business Operations

Delays in business operations could adversely affect distributions to Unitholders and the market price of our Trust Units. In addition to the usual delays in payment by purchasers of oil and natural gas to the operators of our properties, and the delays of those operators in remitting payment to us, payments between any of these parties may also be delayed by:

- restrictions imposed by lenders;
- accounting delays;
- delays in the sale or delivery of products;
- delays in the connection of wells to a gathering system;
- blowouts or other accidents;
- adjustments for prior periods;
- recovery by the operator of expenses incurred in the operation of the properties; or
- the establishment by the operator of reserves for these expenses.

Any of these delays could reduce the amount of cash available for distribution to Unitholders in a given period and expose us to additional third party credit risks.

Debt Service

We may, from time to time, finance a significant portion of our operations through debt. Our indebtedness may limit the timing or amount of the distributions that are paid to Unitholders, and could affect the market price of our Trust Units.

The payments of interest and principal, and other costs, expenses and disbursements to our lenders reduces amounts available for distribution to Unitholders. Variations in interest rates and scheduled principal repayments could result in significant changes to the amount of the cash flow required to be applied to the debt before payment of any amounts to the Unitholders. The agreements governing our credit facility provide that if we are in default under the credit facility, exceed certain borrowing thresholds or fail to comply with certain covenants, we must repay the indebtedness at an accelerated rate, and the ability to make distributions to Unitholders may be restricted.

Our lenders have been provided with a security interest in substantially all of our assets. If we are unable to pay the debt service charges or otherwise commit an event of default, such as bankruptcy, our lenders may foreclose on and sell the properties. The proceeds of any sale would be applied to satisfy amounts owed to the creditors. Only after the proceeds of that sale were applied towards the debt would the remainder, if any, be available for distribution to Unitholders.

Liquidity

Our current credit facility and any replacement credit facility may not provide sufficient liquidity. The amounts available under our existing credit facility may not be sufficient for future operations, or we may not be able to obtain additional financing on economic terms attractive to us, if at all. We currently have a syndicated credit facility (the "Credit Facility") with certain Canadian chartered banks in the amount of \$285 million, and a \$35 million revolving operating facility with one of the chartered banks. The interest charged on the Credit Facility is calculated based on a sliding scale ratio of the Trust's debt to cash flows. The Credit Facility is secured by the oil and gas assets owned by our wholly-owned subsidiaries. Repayment of all outstanding amounts under the syndicated credit facility may be demanded on relatively short notice. If this occurs, we may need to obtain alternate financing. Any failure to obtain suitable replacement financing may have a material adverse effect on our business, and distributions to Unitholders may be materially reduced.

Competition

The oil and natural gas industry is highly competitive. We compete for capital, acquisitions of reserves, undeveloped lands, skilled personnel, access to drilling rigs, service rigs and other equipment, access to processing facilities, pipeline and refining capacity and in many other respects with a substantial number of other organizations, many of which may have greater technical and financial resources than we do. Some of these organizations not only explore for, develop and produce oil and natural gas but also carry on refining operations and market oil and other products on a worldwide basis. As a result of these complementary activities, some of our competitors may have greater and more diverse competitive resources to draw on than we do. Given the highly competitive nature of the oil and natural gas industry, this could adversely affect the market price of our Trust Units and distributions to Unitholders.

Operational Hazards and the Availability of Insurance

The industry in which we operate exposes us to potential liabilities that may not be covered by insurance. Our operations are subject to all of the risks associated with the operation and development of oil and natural gas properties, including the drilling of oil and natural gas wells, and the production and transportation of oil and natural gas. These risks include encountering unexpected formations or pressures, premature declines of reservoirs, blow-outs, equipment failures and other accidents, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, other environmental risks, fires and spills. A number of these risks could result in personal injury, loss of life, or environmental and other damage to our property or the property of others. We cannot fully protect against all of these risks, nor are all of these risks insurable. We may become liable for damages arising from these events against which we cannot insure or against which we may elect not to insure because of high premium costs or other reasons. Any costs incurred to repair these damages or pay these liabilities would reduce funds available for distribution to Unitholders.

Environmental Concerns

The operation of oil and natural gas wells could subject us to environmental claims and liability. The oil and natural gas industry is subject to extensive environmental regulation pursuant to local, provincial and federal legislation. A breach of that legislation may result in the imposition of fines or the issuance of "clean up" orders. Legislation regulating the oil and natural gas industry may be changed to impose higher standards and potentially more costly obligations. For example, the Kyoto Protocol was ratified by the Canadian government in December 2002 and will require, among other things, significant reductions in greenhouse gases. The impact of the Kyoto Protocol on us is uncertain and may result in significant additional (future) costs for our operations. Although we record a provision in our financial statements relating to our estimated future environmental and reclamation obligations, we cannot guarantee that we will be able to satisfy our actual future environmental and reclamation obligations.

We are not fully insured against certain environmental risks, either because such insurance is not available or because of high premium costs. In particular, insurance against risks from environmental pollution occurring over time (as opposed to sudden and catastrophic damages) is not available on economically reasonable terms.

Accordingly, our properties may be subject to liability due to hazards that cannot be insured against, or that have not been insured against due to prohibitive premium costs or for other reasons. Any site reclamation or abandonment costs actually incurred in the ordinary course of business in a specific period will be funded out of our reclamation fund and, if required, out of cash flow and, therefore, will reduce the amounts available for distribution to Unitholders. Should we be unable to fully fund the cost of remedying an environmental problem, we might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy.

Unforeseen Title Defects

Unforeseen title defects may result in a loss of entitlement to production and reserves. Although we conduct title reviews in accordance with industry practice prior to any purchase of resource assets, such reviews do not guarantee that an unforeseen defect in the chain of title will not arise and defeat our title to the purchased assets. If such a defect were to occur, our entitlement to the production from such purchased assets could be jeopardized and, as a result, distributions to Unitholders may be reduced.

Aboriginal Land Claims

The economic impact on us of claims of aboriginal title is unknown. Aboriginal people have claimed aboriginal title and rights to a substantial portion of western Canada. We are unable to assess the effect, if any, that any such claim would have on our business and operations.

Changes in Tax and Other Laws

Changes in tax and other laws may adversely affect Unitholders. Income tax laws, other laws or government incentive programs relating to the oil and gas industry, such as the treatment of mutual fund trusts and resource allowance, may in the future be changed or interpreted in a manner that adversely affects the Trust and Unitholders. Tax authorities having jurisdiction over the Trust or the Unitholders may disagree with the manner in which we calculate our income for tax purposes or could change their administrative practices to our detriment or the detriment of Unitholders.

Loss of Mutual Fund Trust Status

There would be material adverse tax consequences if the Trust were to lose its status as a mutual fund trust under Canadian tax laws. It is intended that the Trust continue to qualify as a mutual fund trust for purposes of the Tax Act.

In order for the Trust to maintain its status as a mutual fund trust under the Tax Act, subject to certain exceptions, the Trust must not have been established or be maintained primarily for the benefit of non residents of Canada ("non residents") within the meaning of the Tax Act. Proposed amendments to the Tax Act originally announced by the Minister of Finance on March 23, 2004 provide that after December 31, 2004, subject to certain exceptions, the Trust must continuously ensure that not more than 50% of its issued Trust Units (based on fair market value) are held by non residents of Canada or partnerships (other than "Canadian partnerships" as defined in the Tax Act) (the "Proposal"). The Proposal was not included in the Notice of Ways and Means Motion tabled by the Minister of Finance on December 6, 2004 that implemented the proposed amendments announced on March 23, 2004, and, furthermore, the Minister of Finance issued a private letter stating that further work will be conducted by the Minister of Finance, including discussions with the private sector, to establish whether an alternative proposal should be devised that would achieve the underlying objectives of the Proposal without imposing absolute limits on non resident investments. In the February 23, 2005 federal budget, the Minister of Finance announced that a consultation paper was to be released shortly after the budget and that they would undergo a consultation process with stakeholders on the matter. Accordingly, it is uncertain whether the Proposal will be implemented at a later date as currently drafted, in substantially different form, or at all. Moreover, it is uncertain as to what different form, if any, a proposal to achieve the underlying objectives of the Proposal might take. The Trust Indenture provides that, if at any time the Trust becomes aware that the beneficial owners of 40% or more of the Trust Units then outstanding are or may be non residents or that such situation is imminent, the Trust will request declaration as to beneficial ownership at least annually. Furthermore, the Trust Indenture provides that if at any time the Trust becomes aware that the beneficial owners of 49% or more of the Trust Units then outstanding are or may be non residents or that such a situation is imminent, the Trust shall take such action as may be necessary to preserve mutual fund trust status. These measures could be adverse to certain Unitholders and may not be effective to avoid the Trust losing its status as a mutual fund trust for the purposes of the Tax Act.

If the Trust were not at present or at a future time to qualify as a mutual fund trust, the income tax considerations respecting the Trust and Unitholders may be materially different from those described in this summary, and in particular the following adverse income tax consequences may result:

- The Trust Units may cease to be qualified investments for Exempt Plans. Where at the end of any month an Exempt Plan holds non qualified investments, the Exempt Plan may be obligated to pay, with respect to that month, tax equal to 1% of the fair market value of such investments at the time such investments were acquired by the Exempt Plan. Where a trust governed by an RRSP or an RRIF acquires investments that are not qualified investments, the beneficiary of that trust will be deemed to have received taxable income in an amount equal to the purchase price of such investments, and while it holds investments that are not qualified investments, that trust will be taxable on its income attributable to such investments. Where a trust governed by a DPSP acquires investments that are not qualified investments the trust is liable for tax in an amount equal to the fair market value of such investments at the time of their acquisition. Where a trust governed by an RESP acquires investments that are not qualified investments or does not dispose of investments within 60 days of their ceasing to be qualified investments, the registration of the RESP may be revoked and the RESP will cease to be exempt from tax.
- The Trust will be required to pay a tax under Part XII.2 of the Tax Act in respect of amounts distributed to non resident persons. The payment of this tax by the Trust may have adverse income tax consequences for certain Unitholders, including non resident persons and tax exempt persons (including Exempt Plans) that acquire an interest in the Trust directly or indirectly from another Unitholder.
- The Trust will cease to be eligible for the capital gains refund mechanism available to mutual fund trusts.
- Trust Units held by Unitholders that are not residents of Canada would become taxable Canadian property. These non resident holders would be subject to Canadian income tax on any gains realized on a disposition of Trust Units held by them.

Income Tax Matters

Each of CPRL and the other corporate entities held directly or indirectly by the Trust (“Affiliates”) is subject to taxation in each taxation year on its income for the year, after deducting interest paid on any indebtedness. Each of CPRL and the Affiliates intends to deduct, in computing its income for tax purposes, the full amount available for deduction in each year associated with its income tax resource pools, undepreciated capital cost (“UCC”) and non-capital losses, if any. If there are not sufficient resource pools, UCC and non-capital losses carried forward to shelter the income of CPRL, then cash taxes would be payable by CPRL.

The Arrangement and subsequent transactions include a variety of non-arm’s length transactions. The taxation consequences of such transactions depend upon the reasonableness of their terms in relation to the terms that could reasonably be expected if the same transactions were concluded by parties dealing at arm’s length with each other, and no assurance can be given as to the reasonableness of the terms of the arrangement or subsequent non-arm’s length arrangement. Should a taxation authority successfully challenge such transactions on the basis that their terms were not reasonable in the circumstances, it could have a materially adverse affect upon the amount of cash available for distribution to the Unitholders. In addition, oil and gas income trusts including this income trust generally rely on significant amounts of inter-company debt, royalties or similar instruments, generating substantial interest expense or other deductions which serve to reduce taxable income and income tax payable during the life of the Trust. There can be no assurance that taxation authorities will not seek to challenge the amount of interest expense and other deductions. If such a challenge were to succeed against the Trust, it could materially adversely affect the amount and taxability of distributions available to Unitholders. The Trust and CPRL believe that the interest expense inherent in the structure of the Trust is supportable and reasonable in light of the terms of the Notes.

Income tax laws, other laws or government incentive programs relating to the oil and gas industry, such as the treatment of mutual fund trusts and resource allowance, may in the future be changed or interpreted in a manner that adversely affects the Trust and Unitholders. Tax authorities having jurisdiction over the Trust or the Unitholders may disagree with the manner in which the Trust calculates its income for tax purposes or could change their administrative practices to the detriment of the Trust or to the detriment of Unitholders. The Minister of Finance (Canada) has indicated that it will continue to evaluate the development of the income trust market as part of its

ongoing monitoring and assessment of Canadian financial markets and the Canadian tax system. On September 8, 2005, the Minister of Finance issued a paper and launched consultations on the economic and fiscal implications of flow through entities (“FTEs”) including income trusts. On September 19, 2005, the Minister of Finance announced that he asked the Minister of National Revenue to postpone providing advance rulings respecting FTEs. On November 23, 2005, the Minister of Finance announced that in response to the economic and fiscal implications of FTEs and as a result of the consultation process, the personal income tax rate on dividends received from large corporations will be such that there would be better balance between the tax treatment of distributions paid by large corporations and income trusts. The Minister of Finance announced that the Minister of National Revenue will resume providing advanced tax rulings on FTE structures. There can be no assurance that their proposed amendments will be enacted into law or that, after further review, the tax treatment of FTEs will not be changed in a manner which adversely affects the Trust and Unitholders. Accordingly, as with all potential changes in law, no assurance can be given that changes will not be made to the Tax Act that adversely affect the Trust or Unitholders.

Further, interest on indebtedness held at the Trust level accrues for income tax purposes whether or not actually paid. The Trust Indenture provides that an amount equal to the taxable income of the Trust will be distributed each year to Unitholders in order to reduce the Trust's taxable income to zero. Where interest payments on indebtedness held by the Trust are due but not paid in whole or in part, the Trust Indenture provides that any additional amount necessary to be distributed to Unitholders may be distributed in the form of Units rather than in cash. Unitholders will be required to include such additional amount in income even though they do not receive a cash distribution.

Nature of Trust Units and the Trust

Rights as a Unitholder differ from those associated with other types of investments. The Trust Units do not represent a traditional investment in the oil and natural gas sector and should not be viewed by investors as shares in the Trust or CPRL. The Trust Units represent an equal fractional beneficial interest in the Trust and, as such, the ownership of the Trust Units does not provide Unitholders with the statutory rights normally associated with ownership of shares of a corporation, including, for example, the right to bring “oppression” or “derivative” actions. The unavailability of these statutory rights may also reduce the ability of Unitholders to seek legal remedies against other parties on our behalf.

The Trust Units are also unlike conventional debt instruments in that there is no principal amount owing to Unitholders. The Trust Units will have minimal value when reserves from our properties can no longer be economically produced or marketed. Unitholders will only be able to obtain a return of the capital they invested during the period when reserves may be economically recovered and sold. Accordingly, cash distributions do not represent a “yield” in the traditional sense as they represent both return of capital and return on investment and the distributions received over the life of the investment may not meet or exceed the initial capital investment.

The Trust is a limited purpose unincorporated trust established under the laws of the Province of Alberta, which is governed by the terms and conditions of the Trust Indenture. As the Trust is not a corporate entity, it is not governed by the provisions of either provincial or federal corporate law. The Trust Units do not represent a traditional investment and should not be viewed by investors as “shares” in either CPRL or the Trust. As holders of Trust Units, Unitholders do not have the statutory rights normally associated with ownership of shares of a corporation, including, for example, the right to bring “oppression” or “derivative” actions. The Trust is not a legally recognized entity within the relevant definitions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) and in some cases, the *Winding Up and Restructuring Act* (Canada). As a result, in the event a restructuring of the Trust were necessary, the Trust would not be able to access the remedies available thereunder. In the event of a restructuring, a Unitholder may be in a different position than a shareholder of a corporation. The price per Trust Unit will be a function of anticipated distributable income and the ability to effect long term growth in the value of the Trust. The market price of the Trust Units will be sensitive to a variety of market conditions, including, but not limited to, interest rates, commodity prices and the ability of the Trust to acquire additional assets. Changes in market conditions may adversely affect the trading price of the Trust Units.

Market Factors

Changes in market-based factors may adversely affect the trading price of our Trust Units. The market price of our Trust Units is primarily a function of anticipated distributions to Unitholders and the value of our properties. The market price of our Trust Units is therefore sensitive to a variety of market based factors, including, but not limited to, interest rates and the comparability of our Trust Units to other yield oriented securities. Any changes in these market-based factors may adversely affect the trading price of the Trust Units.

Loss of Key Personnel

Our operations are entirely independent from the Unitholders and loss of key management and other personnel could impact our business. Unitholders are entirely dependent on our management with respect to the acquisition of oil and gas properties and assets, the development and acquisition of additional reserves, the management and administration of all matters relating to our oil and natural gas properties and the administration of the Trust. The loss of the services of key individuals who currently comprise the management team could have a detrimental effect on the Trust. Investors should carefully consider whether they are willing to rely on the existing management before investing in the Trust Units.

Dilution

There may be future dilution. One of our objectives is to continually add to our reserves through acquisitions and through development. Since we do not reinvest a material portion of our cash flow, our success is, in part, dependent on our ability to raise capital from time to time by selling additional Trust Units. Unitholders will suffer dilution as a result of these offerings if, for example, the cash flow, production or reserves from the acquired assets do not reflect the additional number of Trust Units issued to acquire those assets. Unitholders may also suffer dilution in connection with future issuances of Trust Units to effect acquisitions.

Availability of an Active Market for the Trust Units

There may not always be an active trading market for the Trust Units. While there is currently an active trading market for our Trust Units in Canada, we cannot guarantee that an active trading market will be sustained.

Unitholder Limited Liability

The limited liability of Unitholders is uncertain. Due to uncertainties in the law relating to investment trusts, there is a risk that a Unitholder could be held personally liable for obligations of the Trust in respect of contracts or undertakings which the Trust enters into and for certain liabilities arising otherwise than out of contracts including claims in tort, claims for taxes and possibly certain other statutory liabilities. Although every written contract or commitment of the Trust must contain an express disavowal of liability of the Unitholders and a limitation of liability to Trust property, such protective provisions may not operate to avoid Unitholder liability. Notwithstanding attempts to limit Unitholder liability, Unitholders may not be protected from liabilities of the Trust to the same extent that a shareholder is protected from the liabilities of a corporation. Further, although the Trust has agreed to indemnify and hold harmless each Unitholder from any costs, damages, liabilities, expenses, charges and losses suffered by the Unitholder resulting from or arising out of that Unitholder not having limited liability, the Trust cannot guarantee that any assets would be available in these circumstances to reimburse Unitholders for any such liability.

On July 1, 2004, the Province of Alberta proclaimed the *Income Trusts Liability Act* (Alberta) in force. This legislation provides that beneficiaries of Alberta based income trusts are not liable, as beneficiaries, for any act, default, obligation or liability of the income trust. Unitholders of the Trust have the benefit of this legislation with respect to liabilities arising on or after July 1, 2004.

Availability of Redemption Rights for Trust Units

The redemption rights of Unitholders is limited. Unitholders have a limited right to require the Trust to repurchase their Trust Units, which is referred to as a redemption right. It is anticipated that the redemption right will not be the primary mechanism for Unitholders to liquidate their investment. The Trust's ability to pay cash in connection with a redemption is subject to limitations. Any securities which may be distributed in specie to Unitholders in connection with a redemption may not be listed on any stock exchange and a market may not develop for such securities. In addition, there may be resale restrictions imposed by law upon the recipients of the securities pursuant to the redemption right.

Conflicts of Interest

Circumstances may arise where members of the board of directors or officers of CPRL are directors or officers of corporations which are in competition to the interests of CPRL and the Trust. No assurances can be given that opportunities identified by such board members or officers will be provided to CPRL or the Trust. In accordance with the *Business Corporations Act* (Alberta), a director or officer who is a party to a material contract or proposed material contract with CPRL or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with CPRL shall disclose to CPRL the nature and extent of the director's or officer's interest. In addition, a director shall not vote on any resolution to approve a contract of the nature described except in limited

circumstances. Management of CPRL is not aware of any existing or potential material conflicts of interest between CPRL, the Trust or a subsidiary of the Trust and a director or officer of CPRL or any other subsidiary of the Trust.

DISTRIBUTIONS

An objective of the Trust's distribution policy is to provide Unitholders with relatively stable and predictable monthly distributions. An additional objective is to retain a portion of cash flow to fund ongoing development and optimization projects designed to enhance the sustainability of the Trust's cash flow.

Although the Trust strives to provide Unitholders with stable and predictable cash flows, the percentage of cash flow from operations paid to Unitholders each month may vary according to a number of factors, including, fluctuations in resources prices, exchange rates and production rates, reserves growth, the size of development drilling programs and the portion thereof funded from cash flow and the overall level of debt of the Trust.

The actual amount of the distributions are at the discretion of our Board of Directors. In the event that commodity prices are higher than anticipated and a cash surplus develops, such surplus may be used to increase distributions, reduce debt and/or increase our capital program.

In 2005, the Trust's payout ratio on a per Unit diluted basis was 70% and, excluding Exchangeable Shares and restricted units issued pursuant to our Restricted Unit Bonus Plan (which do not receive cash distributions), was 68%.

The following table sets forth the amount of monthly cash distributions paid per Trust Unit by the Trust since September 2003.

	Distribution per Trust Unit
<u>2003</u>	
September	\$0.17
October	\$0.17
November	\$0.17
December	\$0.17
<u>2004</u>	
January	\$0.17
February	\$0.17
March	\$0.17
April	\$0.17
May	\$0.17
June	\$0.17
July	\$0.17
August	\$0.17
September	\$0.17
October	\$0.17
November	\$0.17
December	\$0.17
<u>2005</u>	
January	\$0.17
February	\$0.17
March	\$0.17
April	\$0.17
May	\$0.17
June	\$0.17
July	\$0.17
August	\$0.17
September	\$0.19
October	\$0.19

Distribution per Trust Unit

November.....	\$0.20
December	\$0.20
<u>2006</u>	
January.....	\$0.20
February	\$0.20
March ⁽¹⁾	\$0.20

Note:

(1) Payable April 15, 2005 to Unitholders of record on March 31, 2005.

The Trust makes cash distributions on the 15th day of each month (or the first business day thereafter) to Unitholders of record on the immediately preceding distribution record date.

MARKET FOR SECURITIES

The outstanding Trust Units are traded on the TSX under the trading symbol "CPG.UN". The following table sets forth the price range and trading volume of the Trust Units as reported by the TSX for the periods indicated.

	High (\$)	Low (\$)	Volume (000's)
<u>2003</u>			
September ⁽¹⁾	12.20	11.46	3,980
October.....	12.20	11.90	2,319
November.....	12.39	11.90	2,820
December.....	13.75	12.20	1,960
<u>2004</u>			
January	14.00	13.19	2,858
February	14.55	13.00	2,606
March	15.75	14.30	2,002
April	15.95	14.90	1,404
May	15.40	14.26	2,283
June	15.00	13.70	1,610
July	15.00	14.70	1,421
August	15.46	14.90	1,694
September	16.80	14.99	2,094
October.....	17.75	16.00	3,296
November.....	18.25	16.25	3,200
December.....	17.80	16.55	2,152
<u>2005</u>			
January.....	18.37	16.99	1,854
February.....	20.00	18.45	3,498
March	20.10	18.90	2,909
April	20.09	18.31	844
May	18.30	16.64	2,342
June	19.10	17.81	2,016
July	20.69	18.40	3,756
August	21.99	19.82	3,396
September	22.40	19.91	2,739
October.....	21.95	16.50	3,800
November.....	21.25	17.88	2,046

2004

December.....	22.15	20.00	3,684
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Note:

(1) The Trust Units commenced trading on the TSX on September 10, 2003.

CONFLICTS OF INTEREST

Circumstances may arise where members of the board of directors or officers of CPRL are directors or officers of corporations which are in competition to the interests of CPRL and the Trust. No assurances can be given that opportunities identified by such board members or officers will be provided to CPRL or the Trust. In accordance with *Business Corporation Act* (Alberta), a director or officer who is a party to a material contract or proposed material contract with CPRL or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with CPRL shall disclose to CPRL the nature and extent of the director's or officer's interest. In addition, a director shall not vote on any resolution to approve a contract of the nature described except in limited circumstances.

Mr. Greg Turnbull, a director of CPRL and Mr. Mark Eade, an officer of CPRL, are each partners of McCarthy Tétrault LLP, a law firm that provides services to the Trust and its subsidiaries. The board of directors of CPRL does not believe that any of the activities undertaken by either of Messrs. Turnbull or Eade or by McCarthy Tétrault LLP interfere, or could be perceived to interfere, in any material way with their ability to act with a view to the best interests of the Trust and CPRL.

LEGAL PROCEEDINGS

There are no outstanding legal proceedings material to the Trust to which we are a party or in respect of which any of our properties are subject, nor are any such proceedings known to be contemplated.

AUDIT COMMITTEE

General

CPRL has established an Audit Committee (the "Audit Committee") comprised of three members: D. Hugh Gillard (Chair), Gerald A. Romanzin and Peter N. Bannister, each of whom is considered "independent" and "financially literate" within the meaning of Multilateral Instrument 52-110 – Audit Committees.

Mandate of the Audit Committee

The mandate of the Audit Committee is to assist the board or directors of CPRL in its oversight of the integrity of the financial and related information of the Trust, CPRL and their subsidiaries and related entities, including the financial statements, internal controls and procedures for financial reporting and the processes for monitoring compliance with legal and regulatory requirements. In doing so, the Audit Committee oversees the audit efforts of our external auditors and, in that regard, is empowered to take such actions as it may deem necessary to satisfy itself that our external auditors are independent of us. It is the objective of the Audit Committee to have direct, open and frank communications throughout the year with management, other Committee chairmen, the external auditors, and other key committee advisors or CPRL staff members as applicable.

The Audit Committee's function is oversight. Management of CPRL is responsible for the preparation, presentation and integrity of the financial statements of the Trust and CPRL. Management is responsible for maintaining appropriate accounting and financial reporting principles and policy and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations.

While the Audit Committee has the responsibilities and powers set forth above, it is not the duty of the Audit Committee to plan or conduct audits or to determine whether the financial statements of the Trust and CPRL are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management and the external auditors, on whom the members of the Committee are entitled to rely upon in good faith.

The Audit Committee Terms of Reference are attached hereto as Appendix A.

Relevant Education and Experience of Audit Committee Members

The following is a brief summary of the education or experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee, including any education or experience that has provided the member with an understanding of the accounting principles used by us to prepare our annual and interim financial statements.

Name of Audit Committee Member

Relevant Education and Experience

D. Hugh Gillard

Mr. Gillard has over thirty four years of business experience in the oil and gas industry and is the Principal of Saddleback Resources Ltd., a private company involved in equity investments and advisory roles in the energy sector.. From June 2003 to March 2006 he was President, Chief Executive Officer and remains a director of Kelso Energy Inc., a publicly traded junior oil and gas company. From 1999 to 2000 he was President, Chief Operating Officer and a director of PrimeWest Energy Trust. From 1990 to 1998, he was employed by CanWest Gas Marketing Inc., a private producer owned gas marketing company. During this period Mr. Gillard initially served as Vice President, Gas Supply and then later as President and Chief Executive Officer. From 1972 to 1989, he held several senior positions with Ashland Oil Canada, Dome Petroleum and Amoco Canada.

Mr. Gillard is a graduate of the University of Calgary (Commerce) and the Stanford Business School Executive Program. Mr. Gillard currently serves as a director of Kelso Energy Inc. and Point North Energy Limited, both publicly traded junior oil and gas companies. He is a past member of the Management Advisory Council (University of Calgary) and is currently a Director and past Chairman of the Hospice Calgary Board of Directors.

Gerald A. Romanzin

On March 26, 2004, Gerald A. Romanzin was appointed to the Board of Directors of CPRL. Gerald Romanzin is an independent Calgary businessman who serves as a director of FET Resources Ltd, Ketch Resources Ltd, Trimac Transportation Services Inc. and Kereco Energy Ltd. He also serves as a trustee of Trimac Income Fund. Mr. Romanzin was the Executive Vice President of the TSX Venture Exchange from November 1999 to April 2002 where he was responsible for overseeing the Corporate Finance and regional operations. In addition, he assumed the role of Acting President of the TSX Venture Exchange from December 2001 to April 2002. Mr. Romanzin is a chartered accountant and was a financial analyst with the Alberta Securities Commission for four years prior to joining the Alberta Stock Exchange in 1987. Mr. Romanzin was the Executive Vice President of the Alberta Stock Exchange from June 1995 to its change to the TSX Venture Exchange in November 1999. Mr. Romanzin obtained a Bachelor of Commerce degree from the University of Calgary and is a member of the Institute of Chartered Accountants of Alberta..

Peter N. Bannister

Mr. Bannister is currently a Vice-President, Exploration and a director of Mission Oil and Gas Inc. Prior thereto, Mr. Bannister was Vice-President, Exploration of StarPoint Energy Ltd., prior to its conversion to StarPoint Energy Trust. Since 1993, Mr. Bannister has held various executive positions with publicly traded oil and gas companies including Boomerang Resources Limited, Laurasia Resources Limited, Startech Energy Inc. and Impact Energy Inc. Mr. Bannister has been involved in the preparation and analysis of financial statements throughout this period and has an understanding of internal controls and procedures for financial reporting for public oil and gas companies.

Mr. Bannister graduated from the University of Calgary in 1981 with a Major in Geology and a Minor in Economics.

External Auditor Services Fees

For services provided to the Trust and its subsidiaries the years ended December 31, 2005 and 2004, PricewaterhouseCoopers LLP billed approximately \$407,732 and \$436,860, respectively, as detailed below:

Year ended December 31			
	2005		2004
PricewaterhouseCoopers			
Audit fees ⁽¹⁾	\$ 337,625	\$	281,600
Audit-related fees	\$ -	\$	-
Tax Fees	\$ 70,107	\$	155,260
All Other Fees	\$ -	\$	-
Total	\$ 407,732	\$	436,860

Note:

(1) The audit fees include the costs related to the annual audit and services related to public financings and related reporting to regulators.

The Chairman of the Audit Committee has the authority to pre-approve non-audit services which may be required from time to time.

Audit Committee Oversight

At no time since the commencement of our most recently completed financial year, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the board of directors of CPRL.

TRANSFER AGENT AND REGISTRARS

Our auditors are PricewaterhouseCoopers LLP, Chartered Accountants, 3100, 111 – 5th Avenue S.W., Calgary, Alberta, T2P 5L3.

The transfer agent and registrar for our Trust Units is Olympia Trust Company in Calgary, Alberta.

MATERIAL CONTRACTS

Set out below are agreements that may be considered material to us:

1. Trust Indenture. See “*Additional Information Respecting the Trust*”.
2. Credit Facilities. See “*Additional Information Respecting the Trust – Credit Facilities*”.
3. Note Indenture. See “*Additional Information Respecting CPRL – The Note*”.
4. Administration Agreement between the Trust and CPRL. See “*Additional Information Respecting CPRL – Administration Agreement*”.
5. Management and Technical Services Agreement between CPGP and CPRL. See “*Additional Information Respecting CPRL – Management and Technical Services Agreement*”.
6. Support Agreement. See “*See Additional Information Respecting CPRL – Support Agreement*”.
7. Voting and Exchange Trust Agreement. See “*See Additional Information Respecting CPRL – Voting and Exchange Trust Agreement*”.
8. Premium Distribution, Distribution Reinvestment and Optional Unit Purchase Plan. See “*Additional Information Respecting the Trust – Premium Distribution, Distribution Reinvestment and Optional Unit Purchase Plan*”.

INTERESTS OF EXPERTS

Reserve estimates contained in this annual information form are derived from reserve reports prepared by GLJ. As of the date hereof, GLJ, as a group, does not beneficially own, directly or indirectly, any Trust Units.

ADDITIONAL INFORMATION

Additional financial information is available on SEDAR at www.sedar.com and on our website at www.crescentpointenergy.com.

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the issuer's securities, options to purchase securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in our information circular in respect of the annual and special meeting of Unitholders held on May 31, 2005. Additional financial information is provided in our comparative financial statements and management's discussion and analysis for our most recently completed financial year ended December 31, 2005.

For additional copies of this annual information form please contact:

Crescent Point Resources Ltd.
3500, 150 – 6th Avenue, S.W.
Calgary, Alberta
T2P 2Y7

Attention: Investor Relations

Appendix A

CRESCENT POINT RESOURCES LTD. AUDIT COMMITTEE TERMS OF REFERENCE

I. The Board of Directors' Mandate for the Audit Committee

1. **The Board of Directors** (“Board”) has responsibility for the stewardship of Crescent Point Resources Ltd., the Crescent Point Energy Trust (the “Trust”) and subsidiaries or related entities (collectively referred to herein as the “Company”). To discharge that responsibility, the Board is obligated by the Alberta Business Corporations Act to supervise the management of the business and affairs of the Company. The Board's supervisory function involves Board oversight or monitoring of all significant aspects of the management of the Company's business and affairs.

Public financial reporting and disclosure by the Company are fundamental to the Company's business and affairs and to its status as a publicly listed enterprise. The objective of the Board's monitoring of the Company's financial reporting and disclosure is to gain reasonable assurance of the following:

- (a) that the Company complies with all applicable laws, regulations, rules, policies and other requirement of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure;
- (b) that the accounting principles, significant judgements and disclosures which underlie or are incorporated in the Company's financial statements are the most appropriate in the prevailing circumstances;
- (c) that the Company's quarterly and annual financial statements and Annual Information Forms (“AIF”) are accurate within a reasonable level of materiality and present fairly the Company's financial position and performance in accordance with generally accepted accounting principles (“GAAP”); and
- (d) that appropriate information concerning the financial position and performance of the Company is disseminated to the public in a timely manner in accordance with corporate and securities law and with stock exchange regulations.

The Board is of the view that monitoring of the Company's financial reporting and disclosure policies and procedures cannot be reliably met unless the following activities (“the Fundamental Activities”) are conducted effectively:

- (i) the Company's accounting functions are performed in accordance with a system of internal financial controls designed to capture and record properly and accurately all of the Company's financial transactions and properly certified;
- (ii) the internal financial controls are regularly assessed for effectiveness and efficiency;
- (iii) the Company's quarterly and annual financial statements are properly prepared by management to comply with GAAP; and
- (iv) the Company's quarterly and annual financial statements and Management Discussion and Analysis (“MD&A”) are reported on by an external auditor appointed by the securityholders of the Company.

To assist the Board in its monitoring of the Company's financial reporting and disclosure and to conform to applicable corporate and securities law, the Board has established the Audit Committee (the “Committee”) of the Board.

2. Role of the Committee

The role of the Committee is to assist the Board in its oversight of the integrity of the financial and related information of the Company, including its financial statements, the internal controls and procedures for financial reporting and the processes for

monitoring compliance with legal and regulatory requirements and to review the independence, qualifications and performance of the external auditor of the Company. Management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them.

3. Composition of Committee

- (a) **Size** - The Committee shall be appointed annually by the Board and consist of at least three members from among the directors of the Company.
- (b) **Qualifications** – All members of the committee (the “Members”) must be “unrelated directors” under the proposed Toronto Stock Exchange (“TSX”) guidelines and Multi-lateral Instrument 52-110. All Members must be “financially literate” (i.e., have the ability to read and understand a balance sheet, an income statement and a cash flow statement). At least one Member of the Committee should have “accounting or related financial expertise” (i.e., the ability to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with Canadian GAAP).
- (c) The Board shall designate the Chairman of the Committee.
- (d) In the event of a vacancy arising in the Committee or a loss of independence of any Member, the Committee will fill the vacancy within six weeks or by the following annual securityholders' meeting if sooner.

4. Reliance on Experts

In contributing to the Committee's discharging of its duties under this mandate, each Member of the Committee shall be entitled to rely in good faith upon:

- (a) financial statements of the Company represented to him by an officer of the Company or in a written report of the external auditors to present fairly the financial position of the Company in accordance with GAAP; and
- (b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

5. Limitations on The Committee's Duties

In contributing to the Committee's discharging of its duties under Terms of Reference, each Member shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in these Terms of Reference is intended, or may be construed, to impose on any Member a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the Committee's duties is monitoring and reviewing to gain reasonable assurance (but not to ensure) that the Fundamental Activities are being conducted effectively and that the objectives of the Company's financial reporting are being met and to enable the Committee to report thereon to the Board.

II. Audit Committee Terms of Reference

These Terms of Reference outline how the Committee will satisfy the requirements set forth by the Board in its mandate.

A. Operating Principles

The Committee shall fulfill its responsibilities within the context of the following principles:

6. Committee Values

The Committee expects the management of the Company to operate in compliance with corporate policies; reflecting laws and regulations governing the Company; and to maintain strong financial reporting and control processes.

7. Communications

The Committee and its Members expect to have direct, open and frank communications throughout the year with management, other Committee Chairmen, the external auditors, and other key Committee advisors or Company staff members as applicable.

8. Annual Audit Committee Plan

The Committee, in consultation with management and the external auditors, shall develop an annual Audit Committee plan responsive to the Committee's responsibilities as set out in these Terms of Reference. In addition, the Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Company's financial disclosure.

The plan will be focused primarily on the annual and interim financial statements and MD&A of the Company; however, the Committee may at its sole discretion, or the discretion of the Board, review such other matters as may be necessary to satisfy the Committee's Terms of Reference.

9. Meeting Agenda

Committee meeting agendas shall be the responsibility of the Chairman of the Committee in consultation with other Members, senior management and the external auditors.

10. Committee Expectations and Information Needs

The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors at a reasonable time in advance of meeting dates.

11. Access to Independent Advisors

To assist the Committee in discharging its responsibilities, the Committee may at its discretion, in addition to the external auditors, at the expense of the Company, retain one or more persons, firms or corporations having special expertise.

12. In Camera Meetings

At the discretion of the Committee, the Members shall meet in private session with the external auditors and with management only.

13. Reporting to the Board

The Committee, through its Chairman, shall report after each Committee meeting to the Board at the Board's next regular meeting.

14. Evaluation

The Committee will conduct and present to the Board an annual evaluation of the performance of the Committee and the adequacy of these Terms of Reference and recommend any proposed changes to the Board for approval.

15. The External Auditors

The Committee expects that, in discharging their responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Committee. The external auditors shall report all material issues or potentially material issues, either specific to the Company or to the financial reporting environment in general, to the Committee.

B. Operating Procedures

16. The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Meetings shall be held at the call of the Chairman, upon the request of two (2) Members or at the request of the external auditors.
17. A quorum shall be a majority of the Members.
18. Unless the Committee otherwise specifies, the Secretary (or his or her deputy) of the Company shall act as Secretary of all meetings of the Committee.
19. In the absence of the Chairman of the Committee, the Members shall appoint an acting Chairman.
20. A copy of the minutes of each meeting of the Committee shall be provided to each Member and to each director of the Company in a timely fashion.

C. Specific Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Financial Information and Reporting

21. Review, prior to public release, the Company's annual and quarterly financial statements with management and the external auditors to gain reasonable assurance that the statements are accurate within reasonable levels of materiality, complete, represent fairly the Company's financial position and performance and are in accordance with GAAP and report thereon to the Board before such financial statements are approved by the Board;
22. Receive from the external auditors reports on their review of the annual and quarterly financial statements;
23. Receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee;
24. Review, prior to public release, all news releases issued by the Company with respect to the Company's annual and quarterly financial statements; and
25. Review prospectuses, material change disclosures of a financial nature, management discussion and analysis, annual information forms and similar disclosure documents to be issued by the Company.

Accounting Policies

26. Review with management and the external auditors the appropriateness of the Company's accounting policies, disclosures, reserves, key estimates and judgments, including changes or variations thereto.
27. Obtain reasonable assurance that the accounting policies, disclosures, reserves, key estimates and judgments are in compliance with GAAP from management and external auditors and report thereon to the Board.

28. Review with management and the external auditors the degree of conservatism of the Company's underlying accounting policies, key estimates and judgments and reserves along with quality of financial reporting.
29. Participate, if requested, in the resolution of disagreements between management and the external auditors.

Risk and Uncertainty

30. Acknowledging that it is the responsibility of the Board, in consultation with management, to identify the principal business risks facing the Company, determine the Company's tolerance for risk and approve risk management policies, the Committee shall focus on financial risk and gain reasonable assurance that financial risk is being effectively managed or controlled by:
 - (a) reviewing with management the Company's tolerance for financial risks;
 - (b) reviewing with management its assessment of the significant financial risks facing the Company;
 - (c) reviewing with management the Company's policies and any proposed changes thereto for managing those significant financial risks; and
 - (d) reviewing with management its plans, processes and programs to manage and control such risks.
31. Review policies and compliance therewith that require significant actual or potential liabilities, contingent or otherwise, to be reported to the Board in a timely fashion.
32. Review foreign currency, interest rate and commodity price risk mitigation strategies, including the use of derivative financial instruments.
33. Review the adequacy of insurance coverages maintained by the Company.
34. Review regularly with management, the external auditors and the Company's legal counsel, any legal claim or other contingency, including tax assessments, that could have a material effect upon the financial position or operating results of the Company and the manner in which these matters have been disclosed in the financial statements.

Financial Controls and Control Deviations

35. Review the plans of the external auditors to gain reasonable assurance that the evaluation and testing of internal financial controls is comprehensive, coordinated and cost-effective.
36. Receive regular reports from management and the external auditors on all significant deviations from GAAP or other Company internal control processes or indications which may suggest fraud and the corrective activity undertaken in respect thereto.
37. Institute a procedure that will permit any employee, including management employees, to bring to the attention of the Board or the Committee concerns relating to financial controls and reporting which are material in scope and which cannot be addressed, in the employee's judgement, through existing reporting structures in the Company.

Compliance with Laws and Regulations

38. Receive and review regular reports from management and others (e.g. external auditors) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
 - (a) tax and financial reporting laws and regulations;
 - (b) legal withholding requirements; and

- (c) other laws and regulations which expose directors to liability.

- 39. Review the filing status of the Company's tax returns and those of its subsidiaries or related entities.

Relationship with External Auditors

- 40. Recommend to the Board the nomination of the external auditors.
- 41. Pre-approve the remuneration and the terms of engagement of the external auditors as set forth in the Engagement Letter. The Chairman of the Committee hereby has the authority to pre-approve non-audit services which may be required from time to time.
- 42. Review the performance of the external auditors annually or more frequently as required.
- 43. Receive annually from the external auditors an acknowledgement in writing that the securityholders, as represented by the Board and the Committee, are their primary client.
- 44. Receive a report annually from the external auditors with respect to their independence, such report to include a disclosure of all engagements (and fees related thereto) for non-audit services by the Company.
- 45. Review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit, and the materiality levels which the external auditors propose to employ.
- 46. Meet with the external auditors at least once a year in the absence of management to determine, *inter alia*, that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee.
- 47. Establish effective communication processes with management and the Company's external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management and the Committee.
- 48. Establish a reporting relationship between the external auditors and the Committee such that the external auditors can bring directly to the Committee matters that, in the judgement of the external auditors, merit the Committee's attention. In particular, the external auditors will advise the Committee of any disagreements between management and the external auditors regarding financial reporting and how such disagreements were resolved.

Relationship with Internal Auditor

- 49. Review the internal audit staff functions, including:
 - (a) the purpose, authority and organizational reporting lines;
 - (b) the annual audit plan, budget and staffing; and
 - (c) the appointment and compensation of any person with the responsibility for the Internal Audit.
- 50. Review, with the Chief Financial Officer, controller or others, as appropriate, the Company's internal system of audit controls and the results of internal audits.

Other Responsibilities and Procedures

- 51. After consultation with the Chief Financial Officer and the external auditors, gain reasonable assurance, at least annually, of the quality and sufficiency of the Company's accounting and financial personnel and other resources.
- 52. Investigate any matters that, in the Committee's discretion, fall within the Committee's duties.

53. Perform such other functions as may from time to time be assigned to the Committee by the Board.

Hiring Guidelines for Independent Auditor Employees

54. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Company on any aspect of its certification of the Company's financial statements:
- (a) No senior member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports for a period of two years after the audit.
 - (b) No former partner or employee of the external auditor may be made an officer of the Company or any of its subsidiaries for two years following association with the external auditor.
 - (i) The Chief Executive Officer must approve all office hires from the external auditor.
 - (ii) The Chief Financial Officer must report annually to the Committee on any hires within these guidelines during the preceding year.

Audit Partner Rotation

55. The Committee will ensure that the head audit partner assigned by the external auditor to the Company, as well as the audit partner charged with reviewing the audit of the Company, are changed at least every five years.

Process for Handling Complaints about Accounting Matters

56. The Committee will establish the following procedure for the receipt and treatment of any complaint received by the Company regarding accounting, internal accounting controls or auditing matters:
- (a) The Company will publish on its website special mail and e-mail addresses and a toll free telephone number for receiving complaints regarding accounting, internal accounting controls or auditing matters.
 - (b) Copies of complaints received will be sent to the Members of the Committee.
 - (c) All complaints will be investigated by the Company's finance and legal staffs in the normal manner, except as otherwise directed by the Committee. The Committee may request that outside advisors be retained to investigate any complaint.
 - (d) The status of each complaint will be reported on a quarterly basis to the Committee and, if the Committee so directs, to the full board.

Appendix B

REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR

To the board of directors of Crescent Point Energy Trust (the "Company"):

1. We have prepared an evaluation of the Company's reserves data as at December 31, 2005. The reserves data consist of the following:
 - (a)
 - (i) proved and proved plus probable oil and gas reserves estimated as at December 31, 2005, using forecast prices and costs; and
 - (ii) the related estimated future net revenue; and
 - (b)
 - (i) proved oil and gas reserves estimated as at December 31, 2005, using constant prices and costs; and
 - (ii) the related estimated future net revenue.
2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions in the COGE Handbook.
4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated by us for the year ended December 31, 2005, and identifies the respective portions thereof that we have audited, evaluated and reviewed and reported on to the Company's board of directors:

Independent Qualified Reserves Evaluator	Description and Preparation Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate - \$M)			
			Audited	Evaluated	Reviewed	Total
GLJ Petroleum Consultants	January 26, 2006	Canada	-	\$675,916	-	\$675,916

5. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook.
6. We have no responsibility to update this evaluation for events and circumstances occurring after the preparation dates.
7. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

GLJ Petroleum Consultants Ltd., Calgary, Alberta, Canada

Dated March 6, 2006.

ORIGINALLY SIGNED BY

John E. Keith, P. Eng
Manager of Engineering

REPORT OF MANAGEMENT AND DIRECTORS ON RESERVES DATA AND OTHER INFORMATION

Management of Crescent Point Energy Trust (the "Trust") are responsible for the preparation and disclosure of information with respect to the Trust's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which consist of the following:

- (a) (i) Proved and proved plus probable oil and gas reserves estimated as at December 31, 2005 using forecast prices and costs; and
- (ii) the related estimated future net revenue; and
- (b) (i) proved oil and gas reserves estimated as at December 31, 2005 using constant prices and costs; and
- (ii) the related estimated future net revenue.

GLJ Petroleum Consultants, an independent qualified reserves evaluator has evaluated the Trust's reserves data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Trust has

- (a) reviewed the Trust's procedures for providing information to the independent qualified reserves evaluator;
- (b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and
- (c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Reserves Committee of the board of directors has reviewed the Trust's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved

- (a) the content and filing with securities regulatory authorities of the reserves data and other oil and gas information;
- (b) the filing of the report of the independent qualified reserves evaluator on the reserves data; and
- (c) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

(signed) "*Scott Saxberg*"

Scott Saxberg
President and Chief Executive Officer

(signed) "*C. Neil Smith*"

C. Neil Smith
Vice President, Engineering and Business Development

(signed) "*Gerald A. Romanzin*"

Gerald A. Romanzin
Director

(signed) "*Peter Bannister*"

Peter Bannister
Director

March 31, 2006