



Avenir Diversified Income Trust Announces First Quarter 2009 Results and Change in Distributions

May 15, 2009 News Release

AVENIR DIVERSIFIED INCOME TRUST ("Avenir Trust", TSX: AVF.UN) is pleased to announce the financial and operational results for the three months ended March 31, 2009 and to announce they have filed the complete Management Discussion and Analysis and Unaudited Consolidated Financial Statements on SEDAR. An electronic copy of these documents may be obtained on Avenir Trust's SEDAR profile at www.sedar.com.

TOTAL CONSOLIDATED FINANCIAL SUMMARY			
	For the three months ended Mar 31		
	2009	2008³	% Change
Total Revenue	370,470	439,677	(16%)
Funds (Used In) From Continuing Operations (FFCO) ^{1,2}	(10,056)	15,999	(163%)
FFCO ¹ Per Unit - Basic	(0.24)	0.38	(163%)
Funds (Used In) From Operations (FFO) ¹	(10,056)	20,271	(150%)
FFO Per Unit ¹ - Basic	(0.24)	0.49	(149%)
Monthly Distributions	10,452	10,432	0%
Distributions Per Unit – Basic	0.25	0.25	0%
Net (Loss) Income from Continuing Operations (NICO) ²	(7,621)	2,030	(475%)
NICO Per Unit - Basic	(0.18)	0.05	(460%)
Net (Loss) Income	(7,621)	5,155	(248%)
Net (Loss) Income Per Unit - Basic	(0.18)	0.12	(250%)
Total Assets	393,964	654,658	(40%)
Working Cap. (Net Debt) excluding mortgages and assets of discontinued operations	40,037	(60,034)	167%
Mortgages	38,454	45,366	15%
Wtd. Avg. Units Outstanding - Basic	41,911,633	41,788,894	0%
Units Outstanding (including escrowed units)	41,913,262	41,897,645	0%

¹ Funds from continuing operations, funds from continuing operations per unit, funds from operations, funds from operations per unit and working capital (net debt) are not recognized measures under Canadian generally accepted accounting principles (GAAP). Funds from operations is calculated by taking cash provided by operating activities on the statement of cash flows adjusted for the effect of changes in non-cash working capital and asset retirement costs incurred. Working capital (net debt) is calculated by taking current assets less current liabilities excluding the balances relating to discontinued operations and adding back current portion of mortgages. Management believes that these measures are useful supplemental measures to analyze operating performance as they demonstrate the Trust's ability to generate the Funds from operations necessary to fund future distributions and capital investments. The Trust's method of calculating these measures may differ from other issuers, and accordingly, they may not be comparable to measures used by other issuers. Investors should be cautioned that these measures should not be construed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with GAAP.

² The operations of EnerVest Limited Partnership, as a result of being classified as 'Discontinued operations', have been excluded from the Trust's Continuing Operations.

³ Comparative periods have been restated to conform to current period presentation – specifically relating to the reclassification of the EnerVest Limited Partnership as discontinued operations and the Real Estate Division as assets held and used.

FIRST QUARTER 2009 RESULTS SUMMARY

The Trust's base Oil and Gas Division and the LPG Marketing Group of Elbow River produced strong operational results again in the first quarter of 2009 despite lower oil and gas commodity prices. That said, similar to the previous quarter the costs associated with Elbow River exiting from the marketing of the bio-diesel product continued to negatively impact the earnings, funds from operations and the balance sheet of the Trust. The distributions prior to the impact of the bio-diesel exit costs were only 65% of the funds from operations in a low commodity price environment; however, bio-diesel losses were significantly larger than anticipated and excess working capital originally targeted for investing in growth business opportunities was needed to fund the bio-diesel losses.

Base Businesses

The Oil and Gas Division achieved its targeted 3,300 boe/d average, while maintaining the production with limited capital expenditures. The highlight of the quarter was the late Q1 completion of a Northeast British Columbia ("BC") gas well that came on at 4.6 Mmcf/day (2.3 Mmcf/day net) which should serve to maintain production at or near our production targets for the second quarter of 2009 even if no additional capital is spent. In the past four months, the Oil and Gas Division has moved to expand its Northeast BC core area with property acquisitions totalling over \$8.6 million for approximately 6,500 net hectares. This sets-up in excess of 78 drilling locations as the Trust looks to position itself for growth when commodity prices turnaround. To protect cash flows from low commodity prices, especially on the natural gas side, the Trust has hedged approximately 45% of the natural gas production for the next 18 months at prices in excess of \$7.00 per GJ.

The Elbow River LPG Marketing core business had its best propane season in the four years it has been with the Trust as low inventories and cold weather provided favourable sales opportunities. Together with continued strong butane sales the LPG business at Elbow River generated cash flows of approximately \$10.3 million well in excess of \$4.5 million the Trust had targeted for the first quarter of 2009.

The Real Estate Division, although a small part of the Trust, continues to be fully-leased providing a steady rental income. The portfolio is no longer being marketed; however we will continue to respond to purchase inquiries.

Bio-diesel Exit

At year end 2008 it was estimated that Elbow River would incur an additional \$10.5 million in bio-diesel exit costs in the first quarter 2009. In fact, Elbow River incurred \$26.1 million in bio-diesel losses as higher basis risk, foreign exchange losses, tankage, storage and demurrage charges and legal, interest and financing charges increased significantly as compared to the original estimate. Elbow River has now physically exited from the bio-diesel investment and by late second quarter and into the early third quarter should have collected all receivables and finalized all aspects of the bio-diesel business. In regards to the previously reported bad debt expense related to the failure of an Elbow River joint venture partner to pay Elbow River, legal remedies continue in an effort to recover the monies owed to Elbow River. In this vein, on May 4, 2009, Elbow River initiated the process to have the joint venture partner placed into involuntary bankruptcy to obtain a proper and orderly distribution of monies and other assets held by the former partner.

Strategic Review Committee Update

The Strategic Review Committee of the Trust was formed in mid 2008 to consider alternatives for the go-forward direction of the Trust against the backdrop of the impending 2011 change in Trust taxation. A number of factors and alternatives were reviewed in an ever changing external and internal business environment. Directions that were thought likely in mid 2008 were no longer viable choices as the world business markets continued to deal with the global financial crisis. The reaction of the markets appears to have been a flight to safety wherein smaller entities are at a disadvantage with respect to lower trading multiples and higher yields than other larger entities. Similarly, the Trust's financial situation although still very strong after the sale of the EnerVest assets, continues to be impacted by the costs of the wrap-up of the Elbow River bio-diesel investment.

With this background, the Trust's Strategic Review Committee has determined to pursue the following three point strategic course of action for the Trust:

- A focus on the Energy business and the opportunities the Trust's strong balance sheet provides in this area;

- Continue to pay distributions in a Trust structure into late 2010 at which point convert to a dividend paying corporation ; and
- Look to maximize unitholder value by merging or selling the Trust into a new entity prior to 2011.

The Strategic Review Committee will continue to meet, but on a less regular basis, to review the progress in moving forward on these items. We will update the unitholders as circumstances require or new information becomes available.

Distributions

Over the past six months the Trust's base operations in the Oil and Gas Division and Elbow River LPG marketing group have provided strong results ahead of our target 75%-80% annual payout ratio. That said, over that same time frame, the costs associated with the exit from the bio-diesel investment have significantly exceeded expectations and have reduced the flexibility that the Trust had enjoyed as it looked to reinvest excess funds in cashflow generating opportunities. The board of directors has determined that with continued lower oil and gas commodity prices and as the Trust enters into Elbow River's seasonally slower summer season that it is prudent for the Trust to preserve the strength of the Trust's balance sheet and provide flexibility to take advantage of opportunities in the market. Therefore, effective with the May 2009 distribution, the Trust will be reducing its monthly cash distribution to \$0.06 per Trust Unit. The distribution will be paid on June 15, 2009, to unitholders of record on May 29, 2009. Based on the Trust's recent trading price of \$3.10 the new distribution would equate to a yield of approximately 23%.

Strong Balance Sheet and Sustainable Distributions

The Trust continues to have a very strong balance sheet with approximately \$40.0 million in positive cash and working capital (excluding real estate), no debt drawn on its Oil and Gas Division and \$46.5 million in fully undrawn bank lines. Capital is available to pursue opportunities and acquisitions in order to grow the Trust and provide additional cash flow to support the monthly distributions. To date we have been reluctant to push forward too quickly on an acquisition strategy until the full extent of the bio-diesel exit costs had been quantified. Any growth initiatives will be undertaken in the context of positioning the Trust for post 2011 and providing ongoing distributions while protecting the balance sheet of the Trust.

REVIEW OF FINANCIAL RESULTS

The Trust had a net loss for the quarter ended March 31, 2009 of \$7.6 million down 248% over the \$5.2 million of income recorded for the quarter ended March 31, 2008. The reduction is mainly due to the \$21.1 million non-recurring first quarter charge associated with bio-diesel as Elbow River arranged for final shipments of inventory, unwound hedge positions, mitigated tankage and transportation commitments associated with exiting this segment of its business.

Funds used in operations for the quarter ended March 31, 2009 were \$10.1 million down 150% from the \$20.3 million funds from operations in 2008. Solid results in the Oil and Gas Division and the LPG segment of Elbow River were more than offset by the first quarter 2009 loss in the Bio-diesel segment of Elbow River. Within the Elbow River business, the base LPG and ethanol group recorded funds from operations of \$10.3 million on solid butane sales and the strongest propane sales since Elbow River was purchased in 2005. The bio-diesel wind-up negatively impacted funds used in operations by \$26.1 million. Also, prior year funds from operations included \$4.3 million in funds from the EnerVest assets which were disposed of in May of 2008.

For the period ended March 31, 2009 monthly cash distributions of \$10.5 million exceeded the \$10.1 million funds used in operations by \$20.6 million. Removing the non-recurring charge of \$26.1 million in the bio-diesel segment, the funds from operations for quarter would have been \$16.1 million representing a 65% payout ratio.

The Trust continues to maintain a strong balance sheet with estimated cash and working capital available for operations and investment of approximately \$40.0 million as at March 31, 2009, exclusive of real estate mortgages, and not including undrawn credit lines of approximately \$46.5 million. The Oil and Gas Division of the Trust, although impacted by lower commodity prices, continues to operate at or around its targeted 3,300 BOE/d and Elbow's base LPG and ethanol marketing businesses look solid with continued positive results on the back of 2009 presales.

REVIEW OF BUSINESS UNIT OPERATIONS

1. FINANCIAL SERVICES – Elbow River

At March 31, 2009 the Trust's Financial Services business unit consisted only of Elbow River Marketing Limited Partnership as the EnerVest Management Assets were sold in May 2008 and for all comparative periods has been classified for accounting purposes as 'Discontinued Operations'.

LPG & Ethanol Segment

The LPG and Ethanol segments of Elbow River's business had \$10.3 million in funds from operations. The first quarter was one of strongest quarters for propane for the Trust due to several factors. U.S. inventories were lower than typical going into the winter due to high summer petro chemical usage, reduced offshore imports, production declines related to Hurricane's Gustav and Ike and a stronger than normal fall crop drying season. These situations combined with severe cold in the key consuming areas of the U.S. resulted in tightened supplies and a disrupted distribution network. Despite somewhat limited late winter butane blending for gasoline, Elbow had another very solid quarter for butane sales. Strong presales combined with various trading opportunities drove these results. As with butane the condensate segment relied on strong presales to deliver results as spot demand from the Alberta Oil Sands for diluent usage was significantly reduced due to the lower price of crude. Ethanol markets continued to be a small part of the LPG business.

Looking ahead, expectations are for the second quarter 2009 to be at or slightly below historical averages due to reduced spot market activity and lingering legal and administrative costs related to the bio-diesel wind down. Propane is entering the slower summer period where the focus will be on strategizing for the heavier winter demand season as well as capitalizing on spot opportunities as they present themselves. Elbow has once again been able to secure term butane deals that provide a strong base for the 2009 year. The condensate spot markets related to Alberta Oil Sands diluent requirements have been reduced and do not show signs of changing in the near term. Fortunately, prior to this Elbow was able to secure term opportunities in this market and therefore are on target to meet expectations in this segment. Ethanol markets are in a transition period with several plants experiencing liquidity issues and demand reduced in general due to less gasoline consumption. Elbow has been able to secure a significant Ethanol marketing agreement that will provide a good base to compliment its other marketing agreement in Canada.

Bio-diesel Segment - Wind-down Update

At year end it was estimated that Elbow River would incur an additional \$10.5 million in bio-diesel exit costs in the first quarter 2009; however, Elbow River incurred \$26.1 million in bio-diesel losses as higher basis risk, foreign exchange losses, tankage, storage and demurrage charges and legal, interest and financing charges significantly increased compared to the original estimate. Elbow River has now physically exited from the bio-diesel investment and by late second quarter and into the early third quarter should have collected all receivables and finalized all aspects of the bio-diesel business.

With respect to the previously-reported \$35.7 million in bad debt expense in 2008 related to the failure of Elbow River's former joint venture partner to pay Elbow River's share of joint venture proceeds, Elbow River continues to vigorously pursue its legal rights and claims in court to maximize its recovery with respect to these monies from its joint venture partner. In addition, on May 4, 2009, Elbow River initiated involuntary bankruptcy proceedings against its former joint venture partner, to obtain a proper and orderly distribution of the monies and other assets held by the former joint venture partner. This may provide Elbow River the ability to recover some funds while still pursuing its other legal options.

2. ENERGY - Oil & Gas Division

For the first quarter of 2009, the oil and gas division averaged sales of 3,300 BOED compared to 3,329 BOED in the first quarter of 2008. The production of the Trust was negatively impacted due to cold weather issues in January and February. The estimated production impact was 60 BOED for the first quarter of 2009. In comparison to 2008, oil and natural gas liquid sales for the first quarter of 2009 averaged 1,455 barrels per day down 8% while natural gas sales were up 6% to 11,069 mcf. The exit production rates for the first quarter of 2009 was 3,430 BOED.

Total gross revenue from petroleum and natural gas sales in the first quarter was \$12.7 million down 22% from \$16.3 million in the fourth quarter of 2008 due to both lower oil and natural gas pricing. The average price received for crude oil and natural gas liquids during the first quarter was \$50.72 per barrel after hedging representing a 13% decrease from fourth quarter 2008 average pricing of \$57.97 per barrel. Natural gas pricing for the first quarter of 2009 was \$6.09 per mcf versus \$7.18 per mcf in the fourth quarter of 2008 representing a decrease of 15%.

The total oil and gas operating expense in the first quarter of 2009 was \$5.3 million down 12% from the fourth quarter of 2008 despite prior period impacts from non-operated properties. The unit operating expense for the Trust was \$17.79 per boe for the first quarter of 2009. For the remainder of 2009, the Trust anticipates the operating costs to continue to decrease as a result of lower power costs and cost reduction initiatives across all operated properties. The remaining year forecast remains consistent at \$17.05 per boe for 2009.

The total first quarter net capital expenditure by the Trust was \$3.4 million. Capital activity in the first quarter of 2009 was highlighted by the drilling of a second 50% working interest operated horizontal Cadomin well in the Noel area of NE British Columbia. The well was completed in March 2009 and placed on production in the third week of March at gross rates of 4,600 mcf/d. Production rates for the well are expected to level out at 1,000 to 1,500 mcf/d in the first 8 months. For remainder of 2009, the Trust plans to participate in 9 gross (7.2 net) wells in Central and Southern Alberta and Noel B.C. The Trust will endeavour to balance the remaining development activity in 2009 between oil and gas opportunities and remains flexible on the timing of capital programs based on commodity pricing and the ability of the Trust to participate in the Alberta royalty drilling credit initiative. The capital programs are currently budgeted to be approximately \$11.0 million in 2009.

In addition to the development programs, the Trust undertook an asset acquisition and land sale initiative to strengthen the core area of Noel, British Columbia in the first quarter of 2009. As of April 22, 2009, the Trust has successfully completed the acquisition of assets from three area producers totalling 306 MBOE of proved plus probable producing reserves and associated undeveloped Cadomin mineral rights. Including the first quarter Crown land sales, the Trust purchased 6,510 net hectares of Cadomin rights in the Noel area. Total acquisition and land sale costs were \$8.6 million resulting in acquisition metrics of \$10.13/BOE for proved plus probable reserves and \$837 per hectare for the undeveloped land. All totaled, the Trust now has interest in 11,530 gross hectares (39 gross gas spacing units) of Cadomin mineral rights in the Noel and Kelly Lake areas. Based on the Trust's experience in the area and offset development activity, the technical evaluation of the lands suggests the full development could result in 78 gross drilling locations (48 net locations with 36 at 100% working interest). To date, the Trust has participated in 5 gross wells (1.5 net wells) across the land base with a 100% success rate.

3. REAL ESTATE DIVISION

The Real Estate Division had net income for the quarter ended March 31, 2009 totalling \$0.1 million compared to a net loss of \$0.2 million for the quarter ended March 31, 2008. The increase is due to a full quarter of revenues from the Cineplex Theatre and increased revenues from two new KFC locations which were under construction during the same period last year. The increase is partially offset by the sale in 2008, of the Harris building and the Station Crossing building which contributed to the net income for the same period last year.

Funds from operations increased for the quarter ended March 31, 2009 to \$0.8 million compared to \$0.7 million for the quarter ended March 31, 2008. The increase is due to a full quarter of revenues from the Cineplex Theatre located in Red Deer and increased revenues from two new KFC locations in Wetaskawin and Spruce Grove which were under construction during the same period last year. The increase is partially offset by the sale of two properties, the Harris building located in Calgary and Station Crossing located in Fort Saskatchewan which contributed to the cash flow from operations for the same period last year.

All construction activity within the portfolio had been completed by the end of 2008 and at March 31, 2009 the portfolio was 100% occupied with all tenants paying full rent in accordance with budget projections.

Update on the Sale of the Portfolio

As reported in its yearend 2008 financial statements, the Trust made the decision to formally terminate the sale listing with their broker with respect to the selling of the remaining properties in the portfolio and retaining the properties as income producing assets. Moving forward, the Trust will still entertain offers received by their real estate advisors to purchase part or all of the portfolio.

The Financial Statements for the three months ended March 31, 2009 are attached below, with detailed Financial Statements and the Management Discussion and Analysis for same period available on the company's profile on SEDAR at www.sedar.com or the Trust's website at www.avenirtrust.com.

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Forward Looking Statements

Certain statements contained herein including, without limitation, financial and business prospects and financial outlook, the effect of government announcements, proposals and legislation, plans in its Oil and Gas Division regarding hedging, wells to be drilled, expected or anticipated production rates, timing of expected production increases, the weighting of production between different commodities, expected commodity prices, exchange rates, production expenses, transportation costs and other costs and expenses, maintenance of productive capacity and capital expenditures; plans in the Elbow River Marketing Limited Partnership ("Elbow River") business regarding plans for its ongoing Liquefied Petroleum Gas ("LPG") business and activities around the exit from marketing its bio-diesel product; plans in the Real Estate Division for the timing of selling assets and the nature of capital expenditures; and the timing and method of financing these businesses, may be forward looking statements. Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue", "targeted" and similar expressions may be used to identify these forward looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including, but not limited to, risks associated with oil and gas exploration: development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers and the inability to retain drilling rigs and other services; risks associated with its Elbow River business including, but not limited to, counterparty risk in default, operational risks, hedging, access to credit, competitor risk, seasonality and impact of the global recession on overall economic activity; and risks associated with the Real Estate Division including, but not limited to the impact the overall economy has on valuations, future delinquencies, access to mortgages and impact on interest rates; as well as the risks associated with the Trust's incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources and the risk factors outlined under "Risk Factors" and elsewhere herein. The recovery and reserve estimates of Avenir's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although Avenir believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Avenir can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Avenir operates; the timely receipt of any required regulatory approvals; the ability of Avenir to obtain qualified staff, equipment and services in a timely and cost efficient manner; Divisional results; the ability of operators to operate the field in a safe, efficient and effective manner; the ability of Avenir to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development of exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of Avenir to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Avenir operates; and the ability of Avenir to successfully market its products, fluctuations in foreign exchange or interest rates and stock market volatility, credit risk and the ability to realize on collateral in the event of default, failure of counter parties to perform on contracts, fluctuation in the value of real property, failure to produce income or revenue from real estate, failure of tenants to meet lease obligations, increase in property taxes and mortgage, maintenance, insurance, operating costs and decreases in occupancy and rental rates, and fixed costs in relation to variable revenue streams. Readers are cautioned that the foregoing list of factors is not exhausted. These forward looking statements are made as of the date hereof and Avenir assumes no obligation to update or review them to reflect new events or circumstances except as required by applicable securities laws.

Forward looking statements and other information contained herein concerning the Oil and Gas Division, Elbow River's business, the Real Estate Division and Avenir's general expectations concerning these industries are based on estimates prepared by each Division's management and from using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of these industries which Avenir believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Avenir is not aware of any misstatements regarding any industry data presented herein, these industries involve risks and uncertainties and are subject to change based on various factors.

CONSOLIDATED BALANCE SHEETS

As at March 31,

<i>(in thousands of dollars)</i>	March 31, 2009 \$	December 31, 2008 \$
ASSETS		
Current		
Cash	1,682	21,956
Marketable securities	18	20
Accounts receivable and prepaid expenses	107,189	88,737
Inventory	5,632	127,883
Note receivable	25,000	25,000
Risk management assets	11,685	14,522
	151,206	278,118
Property and equipment	194,636	195,237
Intangibles and other assets	11,393	11,571
Goodwill	23,424	23,424
Future income taxes	13,305	13,878
	393,964	522,228
LIABILITIES AND UNITHOLDERS' EQUITY		
Current		
Bank indebtedness	29,266	93,127
Accounts payable and accrued liabilities	71,131	81,516
Distributions payable	3,479	28,755
Deferred revenue	212	201
Risk management liabilities	7,081	14,816
Current portion of mortgages	16,343	11,856
	127,512	230,271
Mortgages	22,111	26,832
Asset retirement obligation	14,962	15,009
Future income taxes	9,087	10,721
Unitholders' equity		
Unitholder capital	420,125	422,017
Contributed surplus	8,116	6,777
Accumulated earnings	87,563	95,184
Accumulated other comprehensive loss	(5,285)	(4,807)
Accumulated distributions	(290,227)	(279,776)
	220,292	239,395
	393,964	522,228

CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED EARNINGS

(unaudited)

For the three months ended March 31,

<i>(in thousands of dollars)</i>	2009 \$	2008 \$ (restated)
REVENUE		
Financial services revenue	351,683	430,689
Unrealized gain on financial instruments	6,134	(6,963)
Total financial services revenue	357,817	423,726
Oil and gas revenue	12,712	17,486
Oil and gas transportation costs	(291)	(280)
Royalties	(1,077)	(2,839)
Unrealized gain (loss) on financial instruments	(758)	(316)
Total oil and gas revenue	10,586	14,051
Real estate revenue	1,554	1,900
Interest and other revenue	513	—
Total revenue	370,470	439,677
EXPENSES		
Financial services operating	356,074	415,715
Oil and gas operating	5,284	4,850
Real estate operating	171	440
General and administrative	6,220	7,987
Bad debt expense	2	—
Foreign exchange	3,646	(599)
Interest and bank fees	673	2,243
Interest on long-term debt	501	539
Capital taxes	65	146
Depletion, depreciation and amortization	6,253	6,358
Asset retirement obligation accretion	263	272
	379,152	437,951
Income (loss) from continuing operations before income tax	(8,682)	1,726
Future income tax recovery	1,061	304
Net income (loss) from continuing operations	(7,621)	2,030
Net income from discontinued operations – EnerVest	—	3,125
Net income (loss) for the period	(7,621)	5,155
Accumulated earnings, beginning of period	95,184	92,671
Accumulated earnings, end of period	87,563	97,826
Net income (loss) from continuing operations per unit		
Basic and diluted	(0.18)	0.05
Net income from discontinued operations per unit		
Basic and diluted	—	0.07
Net income (loss) per unit		
Basic and diluted	(0.18)	0.12

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the three months ended March 31,

<i>(in thousands of dollars)</i>	2009 \$	2008 \$
Net income (loss) for the period	(7,621)	5,155
Change in fair value of derivative instruments designated as cash flow hedges	(478)	(8,417)
Change in fair value of marketable securities	—	(28)
Other comprehensive income (loss)	(478)	(8,445)
Comprehensive income (loss) for the period	(8,099)	(3,290)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

For the three months ended March 31,

<i>(in thousands of dollars)</i>	2009 \$	2008 \$ (restated)
OPERATING ACTIVITIES		
Net income (loss) from continuing operations	(7,621)	2,030
Add (deduct) non-cash items:		
Non-cash general and administrative	534	657
Depletion, depreciation and amortization	6,253	6,358
Asset retirement obligation accretion	263	272
Unrealized loss (gain) on financial instruments	(5,376)	7,279
Unrealized foreign exchange	(3,048)	(293)
Future income tax recovery	(1,061)	(304)
Funds from (used in) continuing operations	(10,056)	15,999
Funds from discontinued operations	—	4,272
	(10,056)	20,271
Asset retirement expenditures during year	(121)	(146)
Change in non-cash working capital	97,107	(34,429)
Cash provided (used in) by operating activities	87,930	(14,304)
FINANCING ACTIVITIES		
Issue of trust units, net of issue costs	5	46
Repurchase of trust units	(886)	—
Cash settlement of options	—	(4)
Distributions to unitholders	(10,452)	(10,432)
(Decrease) increase in bank indebtedness	(63,861)	28,129
(Decrease) increase in notes payable	—	2,000
Increase in mortgages	—	1,423
Repayment of mortgages	(234)	(506)
Repayments of long-term debt	—	(838)
Change in non-cash working capital	(25,276)	1
Cash provided by (used in) financing activities	(100,704)	19,819
INVESTING ACTIVITIES		
Financial services development expenditures	—	(5)
Sale of financial services assets	604	—
Oil and gas property acquisitions	(3,473)	(30)
Oil and gas property disposals	406	—
Oil and gas development expenditures	(3,387)	(3,908)
Purchase of other assets	(3)	(3)
Real estate development expenditures	(12)	(1,550)
Change in non-cash working capital	(1,635)	205
Cash provided by (used in) investing activities	(7,500)	(5,291)
Increase (decrease) in cash during the period	(20,274)	224
Cash, beginning of period	21,956	—
Change in cash of assets held for sale	—	(224)
Cash, end of period	1,682	—
Cash taxes paid	125	116
Cash interest paid	999	2,813