



Avenir Diversified Income Trust Announces Third Quarter 2009 Results

November 12, 2009 News Release

AVENIR DIVERSIFIED INCOME TRUST ("Avenir Trust", TSX: AVF.UN) is pleased to announce the financial and operational results for the three and nine months ended September 30, 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						
<i>(in thousands except for per unit amounts)</i>	For the three months ended Sept 30			For the nine months ended Sept 30		
	2009	2008 ²	Change	2009	2008 ²	Change
Total Revenue	\$165,243	\$609,910	(73%)	\$672,425	\$1,521,578	(56%)
Funds From Continuing Operations (FFCO) ¹	\$9,981	\$25,203	(60%)	\$13,351	\$52,267	(74%)
FFCO Per Unit ¹ - Basic	\$0.24	\$0.60	(60%)	\$0.32	\$1.25	(74%)
Funds From Operations (FFO) ¹	\$9,981	\$25,200	(60%)	\$13,351	\$59,185	(77%)
FFO Per Unit ¹ - Basic	\$0.24	\$0.60	(60%)	\$0.32	\$1.41	(77%)
Distributions	\$7,556	\$10,466	(28%)	\$26,517	\$31,340	(15%)
Distributions Per Unit - Basic	\$0.18	\$0.25	(28%)	\$0.63	\$0.75	(16%)
Net Income (loss) from continuing operations (NICO)	\$11,482	\$50,721	(77%)	\$3,678	\$56,171	(93%)
NICO Per Unit - Basic	\$0.27	\$1.21	(78%)	\$0.09	\$1.34	(93%)
Net Income (loss)	\$11,482	\$50,393	(77%)	\$3,678	\$98,581	(96%)
Net Income Per Unit - Basic	\$0.27	\$1.20	(78%)	\$0.09	\$2.35	(96%)
Total Assets	\$356,954	\$799,009	(55%)	\$356,954	\$799,009	(55%)
Working Cap. (Net Debt) excluding mortgages and assets held for sale	\$21,875	\$147,100	(85%)	\$21,875	\$147,100	(85%)
Mortgages	\$25,637	\$40,798	(37%)	\$25,637	\$40,798	(37%)
Wtd. Avg. Units Outstanding - Basic	41,953,583	42,026,438	0%	41,965,545	41,909,360	0%
Units Outstanding (including escrowed units)	42,033,012	42,066,414	0%	42,033,012	42,066,414	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 assets held for sale 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.

²Comparative periods have been restated to conform to current period presentation – specifically relating to the reclassification of the Real Estate Division as assets held and used.

THIRD QUARTER 2009 RESULTS SUMMARY

The Trust's third quarter 2009 results were inline with expectations in what is typically one of the Trust's weaker quarters. For the quarter, net income was \$11.5 million, funds from operations were \$10.0 million and distributions were 76% of funds from operations within distribution payout ratio targets of 75%-80%. Of the funds from operations, the Oil and Gas Division provided approximately 55%, with approximately 35% coming from the Elbow River Marketing Group and about 10% from the Real Estate and Corporate Divisions. On a year over year basis, funds from operations are down 60% and net income is down 77% as the 2008 third quarter benefited from record oil and gas commodity prices, exceptional pre-collapse bio-diesel sales and an unusually large non-cash unrealized gain on financial instruments.

For the Oil and Gas Division, the main focus for the quarter was integrating the previously announced July 31, 2009 Ridgeback private company acquisition. The Trust added approximately 1.7 Mmboe of proved plus probable reserves based on an internally updated year-end 2008 McDaniel's reserve report and about 660 BOE per day of production. Production averaged 3,502 BOE per day for the quarter, up 4% from the 3,365 BOE per day averaged in the second quarter of 2009 as Ridgeback production was included for the final two months of the third quarter. Approximately 105 BOE/d of uneconomic natural gas production was shut-in during the quarter. Prices averaged \$61.41 per barrel for oil production and \$5.04 per Mcf of natural gas. It should be noted that the average unhedged price for natural gas in the quarter was about \$2.90 per Mcf. Given the weakness in the natural gas markets, the Trust continues to protect its cash flow with in excess of 50% of its natural gas production hedged at average prices of approximately \$6.90 per Mcf through to the end of 2010. Capital expenditures in the quarter were minimized due to the low natural gas price environment, however the Trust is moving ahead with an active fourth quarter which includes two oil prospects on the Ridgeback lands.

The Elbow River Marketing Group had a solid third quarter in its base LPG business as butane presales and spot arbitrage opportunities, especially in propane, led to results that were inline with expectations. In conjunction with the exit from the sale of bio-diesel product, Elbow continued to wrap-up any required filings and push forward with collecting the outstanding receivables. To that end, on October 27, 2009 subsequent the quarter end, Elbow River signed a settlement agreement with the joint venture partner whom Elbow River had undertaken legal proceedings against to collect outstanding bio-diesel proceeds and credits owing. The settlement, subject to certain final approvals, effectively allows Elbow River to recover approximately US \$4.7 million of outstanding receivables and receive assignment of US \$5.5 million of a promissory note scheduled to be collected over a fourteen month period. The recovery of the cash payment and note proceeds are still subject to some uncertainty, but Elbow River feels this is the best settlement available to them and is prepared to move forward. The other bio-diesel receivable still being collected is down to approximately US \$5.9 million and while Elbow River collects weekly payments, discussions continue to try to accelerate full payment prior to year-end.

During the third quarter 2009, the Real Estate Division sold the Cineplex theatre building in Red Deer for a small gain on gross proceeds of \$10.6 million at a cap rate of approximately 8.6%. The balance of the portfolio continues to be 100% leased and operates as expected. Although, the portfolio is not currently being marketed, with the improved real estate market, the Trust continues to respond to purchase inquiries.

Corporately the Trust continues to receive interest at 10% per annum on the outstanding \$25 million note receivable from the EnerVest sale in 2008. The note is expected to be paid prior to year-end. The Trust's balance sheet remains in good shape with approximately \$21.9 million in positive working capital (exclusive of mortgages), almost \$40 million in undrawn bank lines in the Oil and Gas Division and mortgages of approximately \$25.6 million in the Real Estate Division. Looking forward, the Trust is entering its strongest two quarters with forward markets indicating increased commodity prices for oil and gas and strong winter LPG presales in Elbow River. The Trust remains comfortable with its 75%-80% distribution payout ratio target and has begun to position the Trust with additional upside and opportunities as we look forward to 2011.

Submitted on behalf of the Board of Directors by:

William M. Gallacher
President & CEO

REVIEW OF FINANCIAL RESULTS

The Trust had net income from continuing operations for the quarter ended September 30, 2009 of \$11.5 million down 77% from \$50.7 million in the quarter ended September 30, 2008. Net income from continuing operations for the nine months ended September 30, 2009 was \$3.7 million down 93% from \$56.2 million for the nine months ended September 30, 2008. The net income for the quarter ended September 30, 2009 was \$11.5 million which is down 77% versus the \$50.4 million net income for the quarter ended September 30, 2008. Net income for the nine months ended September 30, 2009 was \$3.7 million which is down 96% versus the \$98.6 million net income for the same period ended September 30, 2008. The three and nine month net income was lower in 2009 due to the 2008 recognition of the gain on the sale of the EnerVest assets, the first quarter 2009 bio-diesel loss and the sale of a real estate property in the third quarter of 2008.

Funds from continuing operations were \$10.0 million for the three months ended September 30, 2009 down 60% from \$25.2 million in the comparable quarter in 2008. The decrease reflected very strong third quarter 2008 Elbow River results especially in bio-diesel and butane together with lower third quarter 2009 commodity prices for the Oil & Gas Division. Funds from continuing operations were \$13.4 million for the nine months ended September 30, 2009, down from \$52.3 million for the nine months ended September 30, 2008. The decrease in the nine month period is due to the 2009 first quarter bio-diesel loss in Elbow River and the lower commodity prices throughout 2009 for the Oil and Gas Division.

The Trust declared distributions of \$7.6 million (\$0.18 per unit) for the three months ended September 30, 2009 which is a decrease over the \$10.5 million (\$0.25 per unit) distributed for the three months ended September 30, 2008. The monthly distribution was reduced from \$0.083 per unit to \$0.06 per unit effective May 2009. The 2009 third quarter end payout ratio was 76% of funds from operations compared to 42% at September 30, 2008. For the nine months ended September 30, 2009 cash distributions were \$26.5 million. Removing the non-recurring charge of approximately \$22.0 million in Elbow River related to the bio-diesel losses in the first quarter of 2009, the funds from operations for nine months ended September 30, 2009 would have been \$35.4 million representing a 75% payout ratio.

REVIEW OF BUSINESS UNIT OPERATIONS

1. FINANCIAL SERVICES DIVISION

At September 30, 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'.

ELBOW RIVER MARKETING LP ("ELBOW RIVER")

LPG & Ethanol Segment

For the third quarter ended September 30, 2009, butane benefited from strong presales as well as some earlier than anticipated demand for refinery gasoline blending. Condensate markets continued to suffer from weak diluent demand from the Alberta Oil Sands however presales and trading opportunities provided support for this area. Propane activity exceeded expectations as excess supply allowed for better than typical buying opportunities. Ethanol was on budget based on steady returns from marketing agreements combined with some spot activity as discretionary blending economics were favorable throughout the quarter.

The fourth quarter is normally one of Elbow River's stronger quarters and is projected to meet expectations under normal business conditions. Propane demand is anticipated to be strong from crop drying demand however results will largely be determined by weather conditions. Butane will once again be supported by strong presales supplemented by seasonal refinery gasoline blending requirements. Incremental condensate demand for diluent usage in Alberta is not expected to pick up in the short term so new opportunities will be limited. Ethanol markets appear to be fairly steady and new Canadian mandates should bolster this area.

Funds from operations by quarter by line of business is noted below:

<i>(in thousands of dollars)</i>	For the three months ended		For the nine months ended	
	Sept 30, 2009 \$	Sept 30, 2008 \$	Sept 30, 2009 \$	Sept 30, 2008 \$
Funds from Operations				
LPG	3,339	5,923	17,138	10,710
Bio-diesel *	118	7,788	(21,776)	12,720
Funds from Operations	3,457	13,711	(4,638)	23,430

*Bio-diesel operations were wrapped up in early 2009

Bio-diesel Segment

For the current quarter, bio-diesel positively contributed \$0.1 million in cash flows. Expense claw backs and foreign exchange gains on hedging unwinds of \$0.3 million respectively, were offset by legal, accounting and administration costs of \$0.2 million. The legal and accounting costs were primarily driven by ongoing litigation against one bio-diesel counterparty in addition to audit and tax review charges

There remain two significant receivables at September 30 related to the biodiesel business as follows:

A settlement has been reached with one of the counterparties. Under this settlement, Elbow River expects to receive after fees, approximately US \$4.7 million in cash and an assignment of a promissory note, with Elbow River's portion of the note having a face value of approximately US \$5.5 million. The cash portion of the settlement is expected to be paid to Elbow River over the next 3 months, while the portion relating to the promissory note is scheduled to be paid in two installments, one on December 31, 2009 and the other on December 31, 2010. All of the funds Elbow River is scheduled to receive under the settlement remain subject to uncertainty. With respect to the cash funds, some of the funds are still in the process of being liquidated and paid over to Elbow River, and the funds also may be subject to subsequent challenge for 90 days after receipt by Elbow River. In addition, there may be collection risk with respect to the funds from the promissory note, and as such, Elbow River will continue to provide for an allowance against the US \$5.5 million promissory note receivable balance. Elbow River expects to provide a further update in its year-end disclosures.

In terms of the other remaining larger receivable, weekly payments are being received and discussions continue with the counterparty and their bank to collect the final \$5.9 million currently outstanding. The Trust believes this amount will be collected in full, albeit possibly over time.

2. OIL & GAS DIVISION

For the third quarter of 2009, the Oil and Gas Division averaged sales of 3,502 BOE per day was up 4% from the second quarter of 2009 average sales of 3,365 BOE per day and up 8% from the same period in 2008. In comparison to the second quarter of 2009, oil sales for the third quarter were up 15% or 195 barrels per day while gas sales were down 3% or 348 Mcfd. The overall increase to the Trust's production was due to the corporate acquisition of Ridgeback Exploration Ltd. ("Ridgeback") which positively impacted August and September sales volumes. The gas production for the quarter was slightly lower due to natural declines in the new Cadomin development at Noel as well as from the shut-in of uneconomic gas wells. Exit production for the third quarter of 2009 was approximately 3,600 BOE per day with 105 BOE per day of uneconomic gas production shut-in. The Trust continues to evaluate the shut-in gas wells and will resume production depending on winter gas pricing.

Total gross revenue from petroleum and natural gas sales in the third quarter was \$14.0 million up 8% from \$13.2 million in the second quarter of 2009 due primarily to higher volumes. The average price received for crude oil and natural gas liquids during the third quarter was \$61.41 per barrel after hedging. Natural gas pricing for the third quarter of 2009 was \$5.04 per Mcf representing an 83% premium to the average market spot gas price of \$2.90 per Mcf during the period. The Trust hedged 56% of gas sales in Q3 of 2009 at an average price of \$6.90 per Mcf.

Oil and gas operating expenses decreased in the third quarter of 2009 by 10% from the second quarter of 2009 to a total of \$4.8 million as a result of cost reduction initiatives at the field level, lower power costs and the addition of lower cost production from the Ridgeback acquisition. The unit operating expense for the Trust was \$15.00 per BOE for the third quarter of 2009 compared to \$16.74 per BOE for nine months ended September 30, 2009. The unit operating costs for the Trust are projected to be consistent with the year to date costs at \$16.75 per BOE for the remainder of 2009.

The total third quarter net capital expenditures by the Trust were \$1.7 million on development activities, \$0.7 million on seismic and \$21.5 million on corporate acquisitions. As expected, activity in the third quarter was restricted to 3 gross (1.3 net) new drills combined with recompletion and optimization projects. Within the Cadomin development focus area of Noel, the Trust acquired 112 square kilometers of 3D seismic covering the majority of the newly acquired lands to expedite the selection of drilling locations for the spring 2010 Cadomin development program.

The primary focus of Trust in the third quarter of 2009 was the closing and integration of the Ridgeback Exploration corporate acquisition on July 31, 2009. The transaction involved the Trust purchasing 660 BOED of production in the Peace River Arch comprised of 35% light and medium oil. The acquisition provides the Trust with a new core area with an undeveloped land base of 50,000 net acres and 1.7 million BOE proved plus probable reserves based on internal estimates. Based on an the final acquisition cost of \$22.0 million including the repayment of bank loans adjusted for land and seismic value and including future development capital, the Trust acquired the production and reserves for \$29,700 per BOED and \$11.50 per BOE on a proved plus probable basis. The new assets will be managed within the current staff complement of the Trust's Oil and Gas Division.

For remainder of 2009, the Trust plans to participate in 5 gross (3.5 net) wells in Central Alberta and the Peace River Arch including 2 wells on the newly acquired lands from the corporate acquisition. The Trust will balance the remaining development activity in 2009 between oil and gas opportunities based on commodity pricing and the ability of the Trust to participate in the Alberta royalty drilling credit initiative. The capital development programs for the balance of the year are expected to be approximately \$4.0 to \$5.0 million.

3. REAL ESTATE DIVISION

Funds from operations decreased for the quarter ended September 30, 2009 to \$0.8 million compared to \$1.1 million for the quarter ended September 30, 2008. The decrease in revenue is attributable to the lost revenue from properties that have been sold over the past year.

The portfolio is currently 100% leased. Operationally the real estate division is performing within the expected budget for the 2009 fiscal year with the exception of any lost revenue from properties that have sold during the year.

As reported in the second quarter as a subsequent event, the Trust closed on the sale of the Cineplex Theatre property in Red Deer in the third quarter of 2009. The property was sold at a cap rate of approximately 8.6% and the Trust realized a gain on sale of \$0.2 million. The Trust also reported in the second quarter 2009 that the Landmark Theatre property in Hinton, Alberta was damaged by a significant fire. In the third quarter of 2009, Landmark Cinemas purchased the property back from the Trust. The Trust realized a small gain on the sale of this property.

While the balance of the portfolio is no longer listed for sale, the Trust continues to entertain unsolicited offers received for individual properties.

The Financial Statements for the three and nine months ended September 30, 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	September 30, 2009	December 31, 2008
<i>(in thousands of dollars)</i>	\$	\$
ASSETS		
Current		
Cash	—	21,956
Marketable securities	—	20
Accounts receivable and prepaid expenses	61,949	88,737
Inventory	12,494	127,883
Note receivable	25,000	25,000
Risk management assets	9,283	14,522
	108,726	278,118
Property and equipment	197,021	195,237
Intangibles and other assets	10,438	11,571
Goodwill	23,424	23,424
Future income taxes	17,345	13,878
	356,954	522,228
LIABILITIES AND UNITHOLDERS' EQUITY		
Current		
Bank indebtedness	20,295	93,127
Accounts payable and accrued liabilities	63,107	81,516
Distributions payable	2,522	28,755
Deferred revenue	213	201
Risk management liabilities	714	14,816
Current portion of mortgages	4,081	11,856
	90,932	230,271
Mortgages	21,556	26,832
Asset retirement obligation	16,719	15,009
Future income taxes	6,214	10,721
Unitholders' equity		
Unitholder capital	420,828	422,017
Contributed surplus	8,503	6,777
Accumulated earnings	98,862	95,184
Accumulated other comprehensive loss	(367)	(4,807)
Accumulated distributions	(306,293)	(279,776)
	221,533	239,395
	356,954	522,228

CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED EARNINGS

(unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
	\$	\$	\$	\$
		(restated)		(restated)
REVENUE				
Financial services revenue	143,772	558,165	624,720	1,440,214
Unrealized gain (loss) on financial instruments	6,962	15,304	6,893	13,045
Total financial services revenue	150,734	573,469	631,613	1,453,259
Oil and gas revenue	13,969	20,956	39,896	58,791
Oil and gas transportation costs	(434)	(271)	(1,078)	(738)
Royalties	(2,016)	(3,516)	(4,385)	(9,534)
Unrealized gain (loss) on financial instruments	840	7,331	(2,469)	3,073
Total oil and gas revenue	12,359	24,500	31,964	51,592
Real estate revenue	1,309	2,124	4,885	6,542
Interest and other revenue	630	322	1,625	690
Gain on sale of real estate properties	211	9,495	2,338	9,495
Total revenue	165,243	609,910	672,425	1,521,578
EXPENSES				
Financial services operating	137,972	536,279	614,687	1,399,135
Oil and gas operating	4,831	5,372	15,491	15,159
Real estate operating	91	385	1,025	1,665
General and administrative	5,116	9,080	15,744	20,162
Bad debt expense (recovery)	(153)	190	10	660
Foreign exchange expense (gain)	(231)	(4,645)	3,588	(5,430)
Interest and bank fees	217	1,100	1,143	5,747
Interest on long-term debt	375	609	1,385	1,873
Capital taxes	48	162	187	459
Depletion, depreciation and amortization	6,379	6,391	19,206	24,460
Asset retirement obligation accretion	267	212	803	741
	154,912	555,135	673,269	1,464,631
Income (loss) from continuing operations before income tax	10,331	54,775	(844)	56,947
Future income tax recovery (expense)	1,151	(4,054)	4,522	(776)
Net income from continuing operations	11,482	50,721	3,678	56,171
Net income from discontinued operations – EnerVest	—	(328)	—	42,410
Net income for the period	11,482	50,393	3,678	98,581
Accumulated earnings, beginning of period	87,380	140,859	95,184	92,671
Accumulated earnings, end of period	98,862	191,252	98,862	191,252
Net income (loss) from continuing operations per unit				
Basic	0.27	1.21	0.09	1.34
Diluted	0.27	1.19	0.09	1.32
Net income (loss) from discontinued operations per unit				
Basic	0.00	(0.01)	0.00	1.01
Diluted	0.00	(0.01)	0.00	1.00
Net income (loss) per unit				
Basic	0.27	1.20	0.09	2.35
Diluted	0.27	1.18	0.09	2.32

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	September 30, 2009 \$	September 30, 2008 \$	September 30, 2009 \$	September 30, 2008 \$
Net income for the period	11,482	50,393	3,678	98,581
Change in fair value of derivative instruments designated as cash flow hedges	2,090	40,169	4,439	(1,858)
Change in fair value of marketable securities	—	(725)	—	(675)
Other comprehensive income (loss)	2,090	39,444	4,439	(2,533)
Comprehensive income for the period	13,572	89,837	8,117	96,048

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

<i>(in thousands of dollars)</i>	Three months ended		Nine months ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
	\$	\$	\$	\$
		(restated)		(restated)
OPERATING ACTIVITIES				
Net income (loss) from continuing operations	11,482	50,721	3,678	56,171
Add (deduct) non-cash items:				
Non-cash general and administrative	425	315	1,228	1,342
Depletion, depreciation and amortization	6,379	6,391	19,206	24,460
Asset retirement obligation accretion	267	212	803	741
Unrealized loss (gain) on financial instruments	(7,802)	(22,635)	(4,424)	(16,118)
Unrealized foreign exchange	592	(4,360)	(280)	(5,610)
Gain on sale of property and equipment	(211)	(9,495)	(2,338)	(9,495)
Future income tax expense (recovery)	(1,151)	4,054	(4,522)	776
Funds from continuing operations	9,981	25,203	13,351	52,267
Funds from discontinued operations - EnerVest	—	(3)	—	6,918
	9,981	25,200	13,351	59,185
Asset retirement expenditures during year	(78)	(666)	(329)	(1,154)
Change in non-cash working capital	(553)	1,954	125,220	(73,201)
Cash provided (used in) by operating activities	9,350	26,488	138,242	(15,170)
FINANCING ACTIVITIES				
Issue of trust units, net of issue costs	400	567	414	962
Repurchase of trust units	—	—	(886)	—
Cash settlement of options	(38)	(13)	(42)	(18)
Distributions to unitholders	(7,556)	(10,466)	(26,517)	(31,340)
Increase (decrease) in bank indebtedness	17,295	17,679	(72,832)	(45,673)
Repayment of notes payable	—	(10,000)	—	(10,000)
Increase in mortgages	—	—	—	4,757
Repayment of mortgages	(259)	(223)	(759)	(689)
Increase in notes receivable	—	—	—	(123)
Repayments of long-term debt	—	—	—	(1,675)
Change in non-cash working capital	7	8	(26,233)	15
Cash provided by (used in) financing activities	9,849	(2,448)	(126,855)	(83,784)
INVESTING ACTIVITIES				
Acquisition of Ridgeback Exploration	(21,999)	—	(21,999)	—
Sale of EnerVest assets	—	(325)	—	135,633
Financial services development expenditures	—	(474)	—	(5,044)
Sale of financial services assets	—	—	604	—
Oil and gas property acquisitions	(107)	(3,952)	(8,928)	(3,982)
Oil and gas property disposals	50	422	481	422
Oil and gas development expenditures	(2,376)	(6,027)	(7,197)	(12,579)
Purchase of other assets	(20)	(2)	(27)	(5)
Real estate development expenditures	(10)	(651)	(64)	(2,612)
Real estate dispositions	2,949	8,899	4,235	8,899
Change in non-cash working capital	1,248	688	(448)	840
Cash provided by (used in) investing activities	(20,265)	(1,422)	(33,343)	121,572
Increase (decrease) in cash during the period	(1,066)	22,618	(21,956)	22,618
Cash, beginning of period	1,066	—	21,956	—
Cash, end of period	—	22,618	—	22,618
Cash taxes paid	174	1,487	603	7,613
Cash interest paid	355	127	2,175	384