AVENIR DIVERSIFIED INCOME TRUST

Avenir Diversified Income Trust Posts Third Quarter 2006 Results

November 14, 2006 News Release

AVENIR DIVERSIFIED INCOME TRUST ("Avenir Trust", TSX: AVF.UN) is pleased to announce the financial and operational results for the three and six months ended September 30, 2006 and to announce they have filed the complete Management Discussion and Analysis and Unaudited Interim Consolidated Financial Statements for the three and six months ended September 30, 2006 on SEDAR. An electronic copy of these documents may be obtained on Avenir Trust's SEDAR profile at www.sedar.com.

For the periods ended	**Three months Ended Sept 30**		Change	**Nine months Ended Sept 30**		Change
	2006	**2005**	**%**	**2006**	**2005**	**%**
FINANCIAL						
Gross Revenue	$215,092,884	$92,290,428	133	$555,441,317	$165,660,273	235
Net Revenue	$212,835,141	$86,942,263	145	$548,662,749	$151,043,829	263
Funds From Operations (FFO)[1]	$14,328,407	$16,360,170	(12)	$50,671,143	$32,990,474	54
FFO Per Unit[1] - Basic	$0.35	$0.67	(48)	$1.24	$1.59	(22)
Distributions[2]	$10,400,739	$8,389,202	24	$38,585,933	$20,532,864	88
Distributions Per Unit - Basic	$0.25	$0.34	(26)	$0.95	$0.99	(4)
Distribution Payout Ratio[3]	73%	51%	43	76%	62%	23
Income from continuing operations	$7,594,075	$5,345,785	42	$24,492,031	$6,209,507	294
Income from continuing operations Per Unit - Basic	$0.18	$0.22	(18)	$0.60	$0.30	100
Income from discontinued operations	--	$1,246,427	(100)	$3,517,261	$2,523,168	39
Income discontinued operations Per Unit - Basic	--	$0.05	(100)	$0.09	$0.12	(25)
Net Income (loss)	$7,594,075	$6,592,212	15	$28,009,292	$8,732,675	221
Net Income (loss) Per Unit - Basic	$0.18	$0.27	(33)	$0.69	$0.42	64
Total Assets	$489,014,128	$401,226,507	22	$489,014,128	$401,226,507	22
Working Cap. (Net Debt) including mortgages [1]	$(39,670,466)	$(83,944,095)	(53)	$(39,670,466)	$(83,944,095)	(53)
Wtd. Avg. Units Outstanding - Basic	41,094,054	24,518,236	68	41,094,054	20,737,474	97
Units Outstanding (incl. escrowed units)	41,773,367	24,631,254	70	41,773,367	24,631,254	70

[1] Funds from operations, Funds from operations per unit, net back, and working capital (net debt) including mortgages 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 less 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 including capital lease obligations, mortgages (upon mortgage maturity it is the Trust's intention to renew the mortgages on a long term basis at current rates) and long-term debt. 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 "Funds from operations" and "Funds from operations per unit" 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] Distributions represents the actual cash distribution paid during the period. It does not include the special distribution in June 2006 of the Essential Energy Services Trust Units.

[3] Distribution Payout Ratio is calculated by dividing the Distributions by the Funds from operations.

[4] Comparative periods have been restated to conform to current period presentation – specifically relating to the discontinued operations of the Energy Services Division of the Trust.

[5] The three and nine months ended September 30, 2006 reflects the spin-off of the Trust's Energy Services division on May 31, 2006.

President's Message

With the first half of 2006 focused on the spin-off of the Trust's Energy Services division, the third quarter was characterized by continued solid performance in the remaining business units. The Trust was on forecast, with strong results across all divisions and a healthy 73% payout ratio. The equity markets were softer during the quarter and oil and gas commodity prices had weakened especially on the natural gas front. These factors, and a greater real estate focus, combined to provide new opportunities in the real estate and Oil and Gas divisions in the third quarter and into the fourth quarter, and allowed the Trust to complete acquisitions in the two divisions. We continue to have strong performance in all of our divisions and with our two strongest quarters ahead we expect our distributions to remain solid.

Over a three-and-a-half year period Avenir Trust has grown from a tiny $5.0 million market capitalization, or "micro" Trust, to what was a $450 million market capitalized diversified trust with a $250 million market capitalized sister energy services trust, Essential Energy Services Trust (ESN.un). The growth model we have followed continues to work. Distributions have increased seven times totaling 84% during this time. Unitholders count on diversification across multiple business lines with solid businesses in the areas of Oil and Gas, Real Estate, Natural Gas Liquids Marketing and Financial Services Management. The target payout ratio of 75% to 80% has allowed us to grow our businesses and sustain our distributions.

Then on October 31, 2006 an announcement was made by the Canadian Finance Minister that introduced a tax on trusts in 2011. This news effectively ended income trusts in their current form and caused billions of dollars in lost investment value to millions of Canadian and American investors. The Canadian government went back on an election promise and the result has been to stifle the trust sector as we try and sort out what the impact of these changes will have on Avenir and its Unitholders.

In simplified terms, under the proposed tax plan, income distributions will first be taxed at the trust level at a special rate estimated to be 31.5%. Income distributions to individual unitholders will then be treated as dividends from a Canadian corporation and eligible for the dividend tax credit. Income distributions to corporations resident in Canada will be eligible for full deduction as tax free inter-corporate dividends. Tax-deferred accounts (RRSPs, RRIFs and Pension Plans) will continue to pay no tax on distributions. Non-resident Unitholders will be taxed on distributions at the non-resident withholding tax rate for dividends. The net impact on Canadian taxable investors is expected to be minimal because they can take advantage of the dividend tax credit. However, as a result of the 31.5% Distribution Tax at the trust level, distributions to tax-deferred accounts will be reduced by approximately 31.5%, and distributions to non-residents will be reduced by approximately 26.5%.

During the four year transition period before the tax is in effect, Avenir will be able to continue to pay distributions as it has in the past. The real question surrounds the ability of the Trust to grow in its current form; however, we feel confident that we will be able to re-invent ourselves over the next four years to continue to create value for our Unitholders. While we do not yet know what form Avenir will take over the long-term, we do have until 2011 to plan and implement changes to our business plan to adapt to the new rules. This should give us the time required to reposition ourselves. Our underlying businesses and our staff have been market leaders and will continue to be market leaders regardless of what form the government's legislation takes. The business premise of diversification and sustainable distributions will hold the Trust in good stead in this time of uncertainty across the trust space.

We would like to thank all of our Unitholders for their support and will provide timely updates as we evolve during this four year transition.

William M. Gallacher
President & CEO

REVIEW OF FINANCIAL RESULTS

The Trust had net income for the quarter ended September 30, 2006 of $7,594,075. Net Income is up 15% over the $6,592,212 net income for the quarter ended September 30, 2005. The 2006 quarterly net income was positively affected by the inclusion of the EnerVest division versus the previous year, the 2005 non-cash mark-to-market opportunity loss of $2,504,278 related to risk management contracts versus a gain in 2006 of $2,153,213 and negatively impacted by the lower commodity prices compared to the third quarter in 2005. Net income for the nine months ended September 30, 2006 was $28,009,292 or $0.69 per unit versus $8,732,675 or $0.42 per unit for the first nine months of 2005. The nine month 2006 net income figures were impacted by the inclusion of Elbow River for a full nine month period and the acquisition of EnerVest in October 2005.

Funds from operations for the third quarter 2006 were $14,328,406 or $0.35 per unit versus $16,360,170 or $0.67 per unit for the third quarter 2005. For the nine months ended September 30, 2006, funds from operations were $50,671,144 compared to $32,990,474 for the same period in 2005, a 54% increase. The increase in the funds from operations were primarily the result of the increase in the energy services business unit, the inclusion of Elbow River for a full nine month period in 2006 (versus six months in 2005) and the addition of the EnerVest management contract in October 2005.

The Trust distributed $10,400,739 or $0.25 per unit for the quarter ended September 30, 2006 versus $8,389,202 or $0.34 per unit distributed for the quarter ended September 30, 2005. The per unit distribution was reduced pro-rata in June 2006 in conjunction with the spin-off of the Energy Services division as Essential Energy Services Trust. For the quarter ended September 30, 2006 the payout ratio was 73% of funds from operations. For the nine months ended September 30, 2006 the payout ratio was 76% versus 62% for the first nine months of 2005 and a target payout ratio of 75% to 80%.

REVIEW OF BUSINESS UNIT OPERATIONS

1. OIL AND GAS

For the third quarter of 2006, the Oil and Gas division continued to deliver consistent production volumes through a combination of optimization and development programs. Oil and gas sales averaged 3,350 BOE per day in the third quarter compared to an average rate of 3,353 BOE per day for the first two quarters of 2006. In comparison to the first half of 2006, oil and natural gas liquid sales for the third quarter averaged 1,643 bbls per day down 2% while natural gas sales were up 2% to 10,240 Mcf per day. This provides a product mix split of 51% natural gas and 49% oil and natural gas liquids (based on a 6:1 conversion factor).

Total gross revenue from petroleum and natural gas sales in the third quarter was $13,764,245 down 8% from $15,016,412 in the second quarter 2006 mainly due to lower oil and liquids pricing. The average price received for crude oil and natural gas liquids during the third quarter was $51.98 per barrel after hedging representing a 15% decrease over second quarter pricing. Natural gas pricing for the third quarter of 2006 was $6.27 per mcf versus $6.15 per mcf in the second quarter, an increase of 2% mainly due to the affects of hedging. Royalties in the third quarter were consistent with the first half of the year at 14%.

Oil and Gas operating expenses increased in the third quarter due to prior period adjustments on previously divested properties and abnormally high power costs in July 2006. The prior period adjustment resulted in an overall increase of $187,000 while power costs added $270,000 to the operating expense for the month of July. The one month spike in power prices represents a 100% increase over the monthly baseline power costs for the Trust. The total operating expense for the third quarter including the adjustment and additional power costs was $4,766,851 resulting in a unit operating expense of $15.47 per BOE. Excluding these two events, the unit operating expense for the third quarter production period was $14.00 per BOE. The average year to date unit operating expense excluding the prior year adjustments was $14.03 per BOE, and it is expected to remain higher than historical levels in the range of $14.00 to $14.25 per BOE for the remainder of the year due to another spike in power costs in the month of October. The Trust has taken steps in the fourth quarter to hedge power costs for 2007 and 2008 to minimize the impact of further power price anomalies in the Alberta power pool.

The total third quarter net capital expenditure by the Trust was $3.8 million bringing the total year to date net capital expenditure to $10.1 million. Activity in the third and fourth quarters continues to focus on optimization and re-completions with a total of $2.0 million spent on these operated and non-operated opportunities. The completion and tie-in of three gross (two net) operated gas wells from the second quarter drilling program were completed in South and East Central Alberta. Two standing gas wells in the Grand Forks area were also tied in resulting in a total net production add of 135 BOE per day at the end of the third quarter. A 100% Banff/Nordigg oil well is scheduled to be drilled in Cherhill in the fourth quarter. Total capital spending is estimated to come in at $12.0 million for the 2006 budget year including all operated and non-operated activity.

In October 2006, the Trust successfully completed two acquisitions in the core areas of East Central and Southern Alberta consisting of approximately 275 BOE per day of both working interest and royalty interest production. Approximately 35% of the production is operated in the areas of Chard (78-06W4) and Turin (11-18W4). The total acquisition cost was $11.4 million including fees, normal industry closing adjustments and undeveloped land valued at $545,000. On a reserve BOE basis, the combined acquisition cost for both working interest and royalty reserves is $18.27 per BOE based on approximately 596 Mboe of proved plus probable reserves. On a production basis, the transaction equates to $39,593 per producing BOE. Combined, the 275 BOE per day consists of 27% oil and 73% natural gas and brings the projected November 2006 production to 3,625 BOE per day for the Trust.

2. FINANCIAL SERVICES

At September 30, 2006 the Trust's financial services business unit consisted of:

i. ENERVEST LIMITED PARTNERSHIP ("EnerVest") – MANAGEMENT CONTRACT

In general terms, the Income Trust market declined by approximately 2% in the third quarter 2006 and EnerVest's assets under management declined in line with the market from $1.97 billion to $1.93 billion. EnerVest revenues and cash flows are directly correlated with the assets under management and were off by the market change. During the quarter, the EnerVest Diversified Income Trust announced an exchange offering which was marketed during September and October. The offering closed subsequent to the quarter, on October 24, 2006 and raised $260 million in new assets.

The manager of the Trust, EnerVest Diversified Management Inc., a holding of Avenir has agreed to reimburse all expenses related to the exchange offering incurred by EnerVest Diversified Income Trust. This will result in a delay in receiving the new cashflow from the closed offering but does immediately increase the value of the management agreement.

The announcement subsequent to the quarter on October 31, 2006 by the Finance Minister regarding the taxation of the trust sector impacted the market value of the trust units and will correspondingly reduce the value of EnerVest Diversified Income Trust, which will in turn impact Avenir's cash flow from the EnerVest contract by approximately $2.5 million annually or about 12% to 15%.

i. ELBOW RIVER RESOURCES MARKETING LP ("Elbow")

The third quarter of 2006 was well ahead of budget and substantially ahead of the third quarter of 2005. Propane and butane were both ahead of previous years as Elbow was able to take advantage of market volatility which allowed for some favorable pricing spreads. In addition, butane spot sales were strong during the typical seasonal refinery excess period. Ethanol presales allowed for a strong quarter although spot sales were slow as blenders held-off once the perceived supply crunch was abated and prices started to collapse. Elbow's emerging bio-diesel group continued to add new customers to its portfolio and proceeds to grow in concert with the market.

Looking ahead, propane is entering the season where 'mother nature' will determine the extent of winter demand. Butane presales are strong, however spot sales may be reduced from previous gasoline blending seasons as the major refiners stored more product than they typically do and increased ethanol blending seems to be reducing butane blending demand as well. Ethanol also has strong presales and Elbow anticipate increased spot sales as the blenders who held off in the third quarter appear to be re-entering the market to cover their needs. In the bio-diesel division, Elbow has hired an additional marketer to allow the company to grow and capture the increased demand as this market continues to gain acceptance in the United States.

ii. FINANCIAL SERVICE CONTRACTS

In January 2003 the Trust entered into the financial services contracts business and had investments totaling $20.4 million in July 2005. Although the Trust continues to be comfortable with this investment and its returns based on results to date, the Trust has not entered into any new contracts and has since redeemed a large portion of the contracts with RentCash Inc. RentCash provides cash advance, cheque cashing and payday loan services. At the quarter ended September 30, 2006 the Trust held $13.265 million in contracts with Rentcash. Subsequent to the quarter an additional $7.0 has been redeemed. Currently the Trust holds $6.765 million in outstanding contracts.

As the Trust identifies other opportunities, it continues to reallocate investments within its portfolio into other areas providing greater long term impact.

3. REAL ESTATE

The Trust completed the purchase of two portfolios consisting of 26 buildings and 186,740 leasable square feet. The aggregate purchase price of the two portfolios totals approximately $29.2 million with mortgage financing of $18.4 million provided by two financial institutions with the balance of the funds provided through existing facilities. These transactions provide a levered annual return of approximately 12% to the Trust based on an annual cash flow stream of approximately $1.3 million in the initial five year terms.

The first portfolio consists of eleven (11) Kentucky Fried Chicken ("KFC") franchise locations situated in Alberta and British Columbia ("BC") and the second portfolio consists of fifteen (15) Landmark Theatre locations throughout Western Canada, primarily in Alberta and BC. The purchase represents a long-term, stable cash flow for the Trust as the KFC leases are 10 year terms (leases are also cross-collateralized across locations) and the Landmark Theatre leases are for 20 year terms (also cross-collateralized across locations). The Trust has a further option on three additional locations currently under development within the portfolios. The KFC acquisition closed in the third quarter and is reflected in the third quarter financial statements while the Landmark acquisition was completed subsequent to the quarter in mid October.

Avenir will continue to focus on unique opportunities with respect to real estate acquisitions. The Trust portfolio now consists of 31 separate properties with a total area of approximately 625,000 square feet located primarily throughout Western Canada.

4. DISCONTINUED OPERATIONS - ENERGY SERVICES

The third quarter 2006 does not include results from energy services as the division was spun-out on May 31, 2006. For 2006, the energy services division is included in the Trust's operations for the period from January 1 through May 31 only and is accounted for as a discontinued operation in the financial statements.

OUTLOOK

Results for the third quarter were at or ahead of forecast with particular strength in Elbow River offsetting lower shoulder season commodity prices in oil and gas. With the fourth quarter and first quarter being the Trust's traditionally strong quarters due to seasonal strengths in natural gas liquids marketing and oil and gas, the Trust is positioned operationally for a very robust six months. Record cashflow, target pay-out ratio and balance sheet strength affords Avenir the ability to continue to take advantage of opportunities. It is the current uncertainty surrounding government review of the income trust sector and potential taxation impacts, however, that make it very difficult to make prudent business decisions when we do not know all of the rules at this time. The trust sector has seen market values severely reduced and access to capital has dried up pending a better understanding of the new landscape.

Avenir is very fortunate to have four very solid business groups in Oil and Gas, Elbow River Marketing, EnerVest Management and Real Estate. This will allow Avenir to continue to maintain its distributions for the foreseeable future and take advantage of opportunities once they become clearer.

We would like to thank all of our Unitholders for their support and will provide timely updates as we evolve during this four year transition.

For additional information, please refer to the complete Management Discussion and Analysis and Unaudited Interim Consolidated Financial Statements for the three months ended March 31, 2006 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

Except for historical financial and operating information contained herein, the matters discussed in this document may be considered forward-looking statements. Such statements include declarations regarding management's intent, belief or current expectations. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties; actual results could differ materially from those indicated by such forward-looking statements. Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: (i) that the information is of a preliminary nature and may be subject to further adjustment, (ii) the possible unavailability of financing, (iii) risks related to the exploration and development of oil and gas properties, (iv) the impact of price fluctuations and the demand and pricing for oil and natural gas, (v) the seasonal nature of the business, (vi) start-up risks, (vii) general operating risks, (viii) dependence on third parties, (ix) changes in government regulation, (x) the effects of competition, (xi) dependence on senior management, (xii) financial condition of real estate tenants and financial services counterparts, (xiii) impact of the Canadian economic conditions or the demand for real estate leasing opportunities, (xiv) fluctuations in currency exchange rates and interest rates.

CONSOLIDATED BALANCE SHEETS

(unaudited)

For the	September 30, 2006 $	December 31, 2005 $
ASSETS		
Current		
Cash	**1,235,188**	6,767,724
Restricted cash	**—**	366,057
Accounts receivable and prepaid expenses	**69,027,436**	95,663,009
Inventory	**36,269,461**	31,786,855
Marketable securities	**12,500**	12,500
Notes receivable	**—**	1,050,000
	106,544,585	135,646,145
Property and equipment	**173,058,827**	204,615,394
Investment in financial services contracts	**13,765,000**	20,440,209
Intangibles and other assets	**143,104,394**	146,572,446
Goodwill	**52,541,322**	76,352,738
	489,014,128	583,626,932
LIABILITIES AND UNITHOLDERS' EQUITY		
Current		
Bank indebtedness	**51,850,022**	58,881,771
Accounts payable and accrued liabilities	**57,157,919**	68,922,316
Distributions payable	**3,467,189**	4,883,041
Deferred revenue	**242,791**	200,439
Due to non-controlling interest owner	**—**	43,674
Risk management liability	**1,104,819**	5,256,170
Notes payable	**10,000,000**	7,500,000
Current portion of capital lease obligations	**—**	155,127
Current portion of long-term debt	**—**	1,159,521
Current portion of mortgages	**6,100,810**	7,684,571
	129,923,550	154,686,630
Capital lease obligations	**—**	325,521
Mortgages	**16,291,501**	6,203,933
Long-term debt	**—**	1,124,424
Asset retirement obligation	**11,968,892**	11,479,561
Future income taxes	**17,937,319**	20,123,076
Non-controlling interest	**—**	1,004,965
Unitholders' equity		
Unitholder capital	**413,533,527**	401,918,365
Contributed surplus	**4,358,925**	2,136,030
Accumulated earnings	**55,632,818**	27,623,526
Accumulated distributions	**(160,632,404)**	(42,999,099)
	312,892,866	388,678,822
	489,014,128	583,626,932

CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED EARNINGS

(unaudited)

	Three months ended		Nine months ended	
	September 30, 2006 $	**September 30, 2005 $ (restated)**	**September 30, 2006 $**	**September 30, 2005 $ (restated)**
REVENUE				
Oil and gas revenue	**13,764,245**	17,905,399	**42,117,838**	41,164,686
Oil and gas transportation costs	**(254,192)**	(276,103)	**(694,160)**	(585,132)
Royalties, net of ARTC	**(2,003,551)**	(2,567,784)	**(6,084,408)**	(6,332,979)
Unrealized gain (loss) on financial instruments	**2,153,213**	(2,504,278)	**4,151,351**	(7,698,333)
	13,659,715	12,557,234	**39,490,621**	26,548,242
Real estate revenue	**1,050,761**	820,405	**2,779,658**	2,206,063
Financial services revenue	**198,124,665**	73,490,609	**506,324,244**	121,925,387
Interest and other revenue	**—**	74,015	**68,226**	141,777
Gain on sale of property and equipment	**—**	—	**—**	222,360
	212,835,141	86,942,263	**548,662,749**	151,043,829
EXPENSES				
Oil and gas operating	**4,766,851**	3,881,114	**13,279,827**	10,283,458
Real estate operating	**410,266**	274,790	**972,732**	681,970
Financial services operating	**186,265,083**	68,870,773	**474,911,397**	114,161,078
General and administrative	**4,470,512**	2,314,478	**12,832,301**	4,845,274
Foreign exchange	**560,235**	554,600	**(310,161)**	524,968
Interest and bank fees	**1,169,541**	913,077	**2,326,730**	1,629,626
Interest on long-term debt and capital leases	**222,860**	194,793	**591,210**	602,935
Capital taxes	**203,352**	190,389	**370,521**	443,938
Depletion, depreciation and amortization	**6,963,206**	6,223,829	**20,390,452**	14,977,194
Asset retirement obligation accretion	**239,004**	202,186	**692,466**	572,232
	205,270,910	83,620,029	**526,057,475**	148,722,673
Income from continuing operations before income tax	**7,564,231**	3,322,234	**22,605,274**	2,321,156
Future income tax recovery (expense)	**29,844**	2,023,551	**1,886,757**	3,888,351
Net income from continuing operations	**7,594,075**	5,345,785	**24,492,031**	6,209,507
Net income from discontinued operations	**—**	1,246,427	**3,517,261**	2,523,168
Net income for the period	**7,594,075**	6,592,212	**28,009,292**	8,732,675
Accumulated earnings, beginning of the period	**48,038,743**	6,824,651	**27,623,526**	4,684,188
Accumulated earnings, end of the period	**55,632,818**	13,416,863	**55,632,818**	13,416,863
Net income from continuing operations per unit				
Basic				
Diluted	**0.18**	0.22	**0.60**	0.30
	0.18	0.22	**0.59**	0.30
Net income from discontinued operations per unit				
Basic				
Diluted	**—**	0.05	**0.09**	0.12
	—	0.05	**0.09**	0.12
Net income per unit				
Basic	**0.18**	0.27	**0.69**	0.42
Diluted	**0.18**	0.27	**0.68**	0.42

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

	Three months ended		Nine months ended	
	September 30, 2006 $	**September 30, 2005 $ (restated)**	**September 30, 2006 $**	**September 30, 2005 $ (restated)**
OPERATING ACTIVITIES				
Net income from continuing operations	**7,594,075**	5,345,785	**24,492,031**	6,209,507
Add (deduct) non-cash items:				
(Gain) on sale of property and equipment	**—**	—	**—**	(222,360)
Non-cash general and administrative	**1,239,181**	356,239	**3,342,316**	764,662
Depletion, depreciation and amortization	**6,963,206**	6,223,829	**20,390,452**	14,977,194
Asset retirement obligation accretion	**239,004**	202,186	**692,466**	572,232
Unrealized foreign exchange	**475,997**	288,181	**(1,302,187)**	288,181
Unrealized (gain) loss on financial instruments	**(2,153,213)**	2,504,278	**(4,151,351)**	7,698,333
Future income tax expense (recovery)	**(29,844)**	(2,023,551)	**(1,886,757)**	(3,888,351)
Funds from continuing operations	**14,328,406**	12,896,947	**41,576,970**	26,399,398
Funds from discontinued operations	**—**	3,463,223	**9,094,174**	6,591,076
Funds from operations	**14,328,406**	16,360,170	**50,671,144**	32,990,474
Asset retirement costs incurred during period	**(63,588)**	(462,888)	**(200,444)**	(462,888)
Change in non-cash working capital	**(8,012,584)**	(16,077,500)	**3,306,387**	(33,465,291)
Cash provided by (used in) operating activities	**6,252,234**	(180,218)	**53,777,087**	(937,705)
FINANCING ACTIVITIES				
Issue of trust units, net of issue costs	**(24,492)**	—	**1,125,331**	118,286,432
Distributions to unitholders	**(10,399,908)**	(8,237,671)	**(40,001,785)**	(18,967,322)
Increase (decrease) in bank indebtedness	**(2,098,734)**	42,257,051	**20,368,251**	42,882,268
Increase in notes payable	**10,000,000**	7,500,000	**2,500,000**	7,500,000
Repayment of subordinated debt	**—**	(192,271)	**—**	(192,271)
Decrease in note receivable	**—**	—	**1,050,000**	—
Increase in mortgages	**—**	203,411	**—**	4,118,411
Repayment of mortgages	**(122,868)**	(110,758)	**(386,479)**	(2,244,029)
Repayments of capital lease obligations	**—**	—	**(51,174)**	(32,459)
Increase in long-term debt	**—**	35,914	**—**	232,979
Repayment of long-term debt	**—**	(400,477)	**(2,993,521)**	(806,654)
Change in non-cash working capital	**(18,400)**	(43,009)	**(59,476)**	283
Cash provided by (used in) financing activities	**(2,664,402)**	41,012,190	**(18,448,853)**	150,777,638
INVESTING ACTIVITIES				
Purchase of Val Vista Energy Ltd.	**—**	(258,406)	**—**	(13,027,076)
Purchase of Elbow River	**—**	(12,765)	**—**	(52,629,213)
Energy Services Division acquisitions	**—**	(6,445,593)	**(30,994,706)**	(39,214,965)
Disposition of Energy Services Division	**—**	—	**(2,383,243)**	—
Purchase of Makah Energy	**—**	(28,170,348)	**—**	(28,170,348)
Oil and gas property acquisitions	**—**	(248,370)	**—**	(248,370)
Oil and gas property disposals	**(138,719)**	1,301,089	**1,499,477**	1,441,319
Oil and gas development expenditures	**(3,782,151)**	(3,118,248)	**(10,129,769)**	(5,630,120)
Financial services expenditures	**(26,753)**	(5,047,105)	**(52,114)**	(5,102,435)
Purchase of other assets	**(38,019)**	(67,650)	**(79,168)**	(218,168)
Purchase of financial services contracts	**—**	(1,505,550)	**—**	(11,018,930)
Redemption of financial services contracts	**5,605,000**	3,000,000	**6,635,000**	3,000,000
Purchase of real estate properties	**(4,290,292)**	—	**(5,515,586)**	(2,915,290)
Real estate development expenditures	**—**	—	**—**	(162,355)
Proceeds on sale of real estate properties	**—**	—	**—**	3,718,794
Change in restricted cash	**203,000**	(202,974)	**366,057**	(204,312)
Change in non-controlling interest	**—**	(88,889)	**(524,318)**	313,465
Changes in non-cash working capital	**115,290**	160,503	**317,600**	28,520
Cash used in investing activities	**(2,352,644)**	(40,704,306)	**(40,860,770)**	(150,039,484)
Increase (decrease) in cash during the period	**1,235,188**	127,666	**(5,532,536)**	(199,551)
Cash, beginning of period	**—**	—	**6,767,724**	327,217
Cash, end of period	**1,235,188**	127,666	**1,235,188**	127,666
Cash interest paid	**1,096,305**	722,865	**3,166,569**	1,857,350
Cash taxes paid	**1,899**	—	**340,278**	—