

Directors of the General Partner

Gordon J. Bogden
Managing Director
Beacon Group Advisors Inc.

John P. A. Budreski
Managing Director
Scotia Capital Inc.

Larry J. Macdonald
Chairman
Pointwest Energy Inc.

Robert J. Toole
Managing Director
Creststreet Asset Management Limited

Officers of the General Partner

Robert J. Toole, President
Donna McLean, Secretary Treasurer

Lead Agent

Scotia Capital Inc.
Toronto, Ontario

Legal Counsel

Fasken Martineau DuMoulin LLP
Toronto, Ontario

Auditors

KPMG LLP
Toronto, Ontario

Tax Shelter ID No.

TS 066415

Registered Address

Creststreet 2001 Limited Partnership
c/o Creststreet 2001 Management Limited
Suite 2320, 130 Adelaide Street West
Toronto, Ontario M5H 3P5

Tel: (416) 864-6330
Toll Free: 1-866-864-6330
Fax: (416) 862-8950
E-mail: info@creststreet.com
www.creststreet.com



CRESTSTREET



CRESTSTREET



CRESTSTREET 2001
LIMITED PARTNERSHIP



2001



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Dear Unitholder:

We are pleased present the September 30, 2001 interim report for Creststreet 2001 Limited Partnership.

To date the Partnership has made flow through investments in the following Companies:

Company	Sector	Market Cap (MM)	% of Portfolio
Compton Petroleum Corporation	Oil & Gas	\$440	28.2%
Ketch Energy Ltd.	Oil & Gas	167	6.6%
Canadian Hydro Developers	Alternative Energy	92	6.7%
Bow Valley Energy Ltd.	Oil & Gas	63	4.5%
Canadian Superior Energy Inc.	Oil & Gas	63	7.7%
Miramar Mining Corp.	Mining	60	3.0%
Hope Bay Gold Corp.	Mining	55	4.3%
Zapata Energy Corporation	Oil & Gas	24	3.1%
Energy North Inc.	Oil & Gas	22	4.2%
True Energy Inc.	Oil & Gas	20	3.5%
Diaz Resources Ltd.	Oil & Gas	16	3.3%
Del Roca Energy Ltd.	Oil & Gas	10	1.2%
Case Resources Inc.	Oil & Gas	9	0.6%
Temple Exploration Inc.	Oil & Gas	Private	2.5%
Cash, Net of Working Capital			20.4%
Total			100%

The Partnership's investment strategy is to focus on natural gas producers in order to capitalize on anticipated tightening of natural gas supplies in North America over the next 3 to 5 years. As we mentioned in our June 30, 2001 Report to Unitholders, natural gas prices in North America came under considerable downward pressure in the second quarter of 2001 which continued throughout the third quarter. Alberta spot prices for natural gas dropped from \$7.56 at the end of the first quarter to as low as \$2.50 and have now stabilized around \$4.00 per million cubic feet. As the Partnership's investment portfolio is heavily weighted toward natural gas producers, the unit value came under similar downward pressure. As of October 31, 2001 the net asset value of the partnership was \$7.37 per unit. This net asset value represents

a 5.6% after-tax return for an Ontario investor at the highest marginal tax rate.

The drop in natural gas prices has been caused by falling demand due to slowing economic growth in North America. We expect that natural gas demand growth will resume as North American economic growth recovers in 2002.

In Creststreet's view, regardless of the timing and strength of an economic recovery in North America, natural gas prices will begin to rise in late 2002 and into 2003 as natural gas supply begins to tighten as a result of the natural decline rates of existing natural gas production.

To date the partnership has built a solid portfolio of high quality and significantly undervalued companies and is very well positioned to take advantage when this turnaround in natural gas prices occurs.

Limited Partners will receive tax information packages setting out the tax deductions associated with an investment in the Partnership in mid-March, 2002.

Respectfully submitted,



Robert J. Toole
Managing Director
November 13, 2001

Statement of Net Assets*As at September 30, 2001 and April 4, 2001**Unaudited*

	September 30 2001	April 4 2001
Assets:		
Investments in Resource Companies	\$ 5,329,465	\$ –
Cash and Short-Term Investments	6,914,859	10
	12,244,325	10
Liabilities:		
Accounts Payable and Accrued Liabilities	104,119	–
	104,119	–
Net Assets	\$12,140,206	\$ 10
Represented by:		
Partners' Capital Contributions	\$17,786,510	\$ 10
Costs of Issue – Agents' Fees	(1,200,589)	–
– Other	(300,000)	–
Retained Earnings	895	–
Unrealized Appreciation (Depreciation) of Investments	(4,146,610)	–
Partners' Equity at End of Period	\$12,140,206	\$ 10

See accompanying notes to financial statements

Approved Creststreet 2001 Management Limited as General
Partner on behalf of Creststreet 2001 Limited Partnership



Director



Director

Statement of Operations and Retained Earnings

For the Period April 4, 2001 to September 30, 2001

Unaudited

	Quarter Ended September 30 2001	Year to Date September 30 2001
Revenues:		
Interest Income	\$ 92,025	\$ 137,475
Expenses:		
Management Fees (Note 3)	68,269	96,758
Administrative Costs	38,903	39,822
Net Operating Income (Loss)	(15,148)	895
Retained Earnings (Deficit)		
Beginning of Period	16,043	—
Retained Earnings (Deficit)		
End of Period	\$ 895	\$ 895

See accompanying notes to financial statements

Statement of Change in Net Assets

For the Period April 4, 2001 to September 30, 2001

Unaudited

	Quarter Ended September 30 2001	Year to Date September 30 2001
Operations:		
Net Operating Income (Loss)	\$ (15,148)	\$ 895
Change in Net Unrealized Appreciation (Depreciation) of Investments	(3,885,926)	(4,146,610)
	(3,901,074)	(4,145,715)
Unitholder Transactions:		
Proceeds from Issue of Units	—	17,786,510
Payment of Agents' Fees	—	(1,200,588)
Payment of Costs of Issue	—	(300,000)
	—	16,285,921
Net Increase (Decrease) in Net Assets	(3,901,074)	12,140,206
Net Assets at the Start of Period	16,041,280	—
Net Assets at the End of Period	\$12,140,206	\$12,140,206

See accompanying notes to financial statements

Statement of Investment Portfolio

As at September 30, 2001

Unaudited

Description	Number of Shares	Market Value
Canadian Hydro Developers Inc.	394,500	\$ 808,725
Case Resources Inc.	334,000	66,800
Compton Petroleum Corporation	830,000	2,490,000
Energy North Inc.	1,111,111	555,556
Hope Bay Gold Corp.	1,250,000	325,000
Miramar Mining Corp.	384,615	365,384
Temple Exploration Inc.	250,000	300,000
Zapata Energy Corporation	110,000	418,000
Total Investment Portfolio		\$ 5,329,465

Management Discussion and Analysis

No comparison to prior periods has been provided as this is the first period of operation of the Partnership.

Financial Condition – As of September 30, 2001 the Partnership had investments of \$5,329,465 in flow-through shares of resource companies and had net working capital of \$6,914,859 consisting mainly of cash invested in short term money market instruments. The Partnership expects to invest the balance of its net working capital in flow-through shares of resource companies prior to year end.

Results From Operations – For the period of April 4, 2001 (inception) to September 30, 2001, the Partnership earned \$137,475 in interest income on short term investments held by the Partnership and paid management fees of \$96,758 being 1/12 of 2% of the net assets of the Partnership at the end of each month.

Change in Net Assets – The Partnership raised gross proceeds of \$17,786,500 through a public offering of limited partnership units that was completed by June 28, 2001. The Partnership paid Agents fees of \$1,200,589 being 6.75% of the proceeds raised and incurred \$300,000 in issue costs to complete the offering. The value of the Partnership's investment portfolio depreciated by \$4,146,610 during the period primarily as a result of adverse equity market conditions for natural gas producers which were further weakened following the terrorist attacks in the United States on September 11, 2001.

Notes to FINANCIAL STATEMENTS

For the period ended September 30, 2001

Unaudited

1. Creststreet 2001 Limited Partnership

CRESTSTREET 2001 LIMITED PARTNERSHIP (the "Partnership") was formed as a limited partnership under the laws of the Province of Ontario on April 4, 2001.

The principal purpose of the Partnership is to invest in flow-through shares of resource companies involved in oil and gas exploration in Canada. Pursuant to a prospectus dated May 17, 2001, Limited Partners subscribed for 1,778,650 units of limited partnership interest. The General Partner of the Partnership is CRESTSTREET 2001 MANAGEMENT LIMITED (the "General Partner").

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles, and the following is a summary of significant accounting policies followed by the Partnership:

a. Short term Investments

Short term investments are comprised of highly liquid investments having original terms to maturity of 90 days or less when acquired. Short term investments are valued at cost plus accrued interest which approximates market value.

b. Valuation of Investments in Public Resource Companies

Securities listed on a recognized public securities exchange are valued at year-end quoted market prices. Securities not traded on that date are valued at the average of the closing bid and ask prices or the latest available sale price.

The difference between the current market value and the original cost is treated as an unrealized gain or loss and is included in Partners' Equity. Since these securities benefited from exemption from prospectus requirements, they were subject to resale restrictions.

c. Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date and any related gains or losses from such transactions are calculated on an average cost basis. Dividend income is recognized on the ex-dividend date.

d. Allocation of Partnership Income and Loss

The net income of the Partnership for each fiscal period is allocated 0.01 % to the General Partner and the balance, along with 100% of the net loss of the Partnership, among the Limited Partners in proportion to the number of units held by each of them at the end of each period. The Partnership is not itself a taxable entity. Accordingly, no provision for income taxes is required.

e. Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

3. Related Party Transactions

The General Partner is entitled to receive a fee equal to 2.0% per annum of the net asset value of the Partnership, calculated and payable monthly in arrears. In the three months ended September 30, 2001, the management fee amounted to \$68,269. The General Partner also has a 0.01% beneficial interest in the Partnership. The General Partner is reimbursed for reasonable costs related to maintaining the register of the Partnership and preparation and distribution of financial statements and other documents sent to the Limited Partners which costs amounted to \$nil.

4. Liquidity of Partnership Units and Termination of the Partnership

On or about January 15, 2003 the Partnership is currently expected to transfer all of its assets to Creststreet Resource Fund Limited, an open end mutual fund (the "Mutual Fund") in exchange for shares of the Mutual Fund.

Upon this transfer the Partnership will be dissolved at which time the net assets will be allocated 99.99% to the Limited Partners and 0.01% to the General Partner. Upon dissolution, Limited Partners would then receive their pro rata share of the shares of the Mutual Fund.

5. Tax Shelter Identification Number

The identification number issued for this tax shelter Partnership shall be included in any income tax return filed by the Limited Partners. Issuance of the identification number is for administration purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter.