



CRESTSTREET

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Dear Limited Partner:

July 28, 2005

**Update on Creststreet Power & Income Fund LP
Treasury Offering of Limited Partnership Units, Listing of Units on the TSX and Commencement of
Monthly Cash Distributions**

We are pleased to advise Limited Partners of Creststreet Power & Income Fund LP (the "Partnership") both the Quebec and Nova Scotia Projects have completed construction and all 47 turbines are in full operation. On July 27, 2005, the Partnership filed a Final Prospectus with securities regulatory authorities in all provinces of Canada for an Offering of limited partnership units to raise \$57.4 million. Completion of the Offering is set for August 3, 2005. The net proceeds from the Offering will be used by the Partnership to fund further investments in the Wind Energy Companies to repay senior bank debt facilities held by third party lenders to the wind projects. In addition, net proceeds from the Offering will be used by the Partnership to build cash reserves of up to \$3.75 million. **Limited partners are not required to act in any way. Please refer to the Final Prospectus for more detailed information located at www.sedar.com.**

On completion of the Offering, units of the Partnership will be listed on the TSX and the Partnership will commence monthly cash distributions, the first which is expected to be \$0.0627 per Unit on September 15, 2005 to unitholders of record on August 31, 2005. Based on these monthly cash distributions, existing unitholders of the partnership will be receiving an exceptional 13% annual cash yield on the after-tax cost of their units (based on an Ontario taxpayer in the highest marginal tax bracket). Alternatively, should existing unitholders sell their units they will trigger a capital gain as the tax cost of existing units have been reduced by the original flow-through tax deductions received by unitholders in the 2003 personal taxation year. Unitholders who continue to hold their units of the Partnership for the long term will not trigger a capital gain for tax purposes and may earn an exception cash yield on their after tax cost over the years ahead.

In addition, the Partnership, is exceptionally well positioned to become a leading supplier of windpower generation in Canada. Creststreet Capital Corporation ("Creststreet"), an affiliate of the general partner of the Partnership, is presently involved in the development of seven other wind energy projects with over 850 MW of potential wind energy production capacity. As additional windpower projects are financed by future Creststreet windpower flow-through offerings, the Partnership expects that it can provide an attractive liquidity option to investors in those projects while increasing distributions per unit and enhancing diversification giving the Partnership very strong prospects in the years ahead.

We are pleased to have achieved the milestones of completing the Partnership's initial windpower projects, having our units listed on the TSX and commencing monthly cash distributions to our unitholders. This will be the final of many steps achieved in launching Canada's first windpower income fund.

**On behalf of Creststreet Power & Income Fund LP
by its General Partner
Creststreet Power & Income General Partner Limited**

**Eric McFadden
President and Chief Executive Officer**