



CRESTSTREET

70 University Avenue, Suite 1450  
Toronto, Canada M5J 2M4  
Phone: (416) 864-6330  
Fax: (416) 862-8950  
Toll-free: 1-866-864-6330  
www.creststreet.com

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## News Release

CPIF – PR38

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### **Creststreet Power & Income Fund LP Closes \$30-million Convertible Subordinated Debentures Issue**

**TORONTO (August 18, 2006)** – Creststreet Power & Income Fund LP (CRS.UN, CRS.DB) (the “Partnership”) is pleased to announce the closing of the issue and sale of \$30 million of 8.0% convertible unsecured subordinated debentures (the “Debentures”) for net proceeds of \$28.2 million, pursuant to its final prospectus filed on August 11, 2006. The offering was made through an agreement with a group of underwriters co-led by CIBC World Markets Inc. and BMO Capital Markets.

The Debentures have a maturity date of September 15, 2011, and will be convertible, at the option of the holder, into fully paid limited partnership units of the Partnership at a conversion price of \$6.65 per limited partnership unit, being a rate of 150.376 limited partnership units per \$1,000 principal amount of Debentures.

The offering was made through a syndicate of investment dealers consisting of CIBC World Markets Inc. and BMO Capital Markets, and that includes Scotia Capital Inc., RBC Capital Markets, National Bank Financial Inc., TD Securities Inc., Acumen Capital Finance Partners Limited, Canaccord Adams and HSBC Securities (Canada) Inc.

The Partnership will use the net proceeds from the offering to fund a portion of its previously announced commitment to Kettles Hill Wind Energy Inc. (“Kettles Hill”), to repay debt incurred to finance the Partnership’s existing investment in Kettles Hill and for general business purposes. The Partnership has also convened a special meeting of limited partners to approve a further investment in Kettles Hill.

The special meeting of limited partners for the purpose of approving a further investment in Kettles Hill will be held on Wednesday, September 6, 2006, at 1 p.m. Mountain time (3 p.m. ET) in the Royal meeting room at the Metropolitan Centre in Calgary, Alberta (333 Fourth Avenue, S.W.). A management information circular and proxy voting cards was filed with Canadian securities commissions and mailed to the Limited Partners on August 15, 2006.

The Toronto Stock Exchange (“TSX”) has conditionally approved the listing of the Debentures under the symbol CRS.DB.A. The listing is subject to the Partnership fulfilling all of the requirements of the TSX on or before October 27, 2006. This news release shall not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Debentures have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States.



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**About Creststreet Power & Income Fund LP**

Creststreet Power & Income Fund LP (the "Partnership") owns and operates two wind energy projects in Quebec and Nova Scotia with a total of 47 wind turbines and power generating capacity of 84.6 megawatts. All electricity generated by these wind energy projects is being sold pursuant to long-term power purchase agreements with provincial electricity utilities.

CERTAIN STATEMENTS INCLUDED IN THIS NEWS RELEASE CONSTITUTE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE SECURITIES ACT (ONTARIO). SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE PARTNERSHIP TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF CRESTSTREET POWER & INCOME FUND LP AS AT AUGUST 18, 2006, AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. HOWEVER, CRESTSTREET POWER & INCOME FUND LP EXPRESSLY DISCLAIMS ANY INTENTION OR OBLIGATION TO UPDATE OR REVISE ANY FORWARD-LOOKING INFORMATION, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE, EXCEPT AS REQUIRED BY APPLICABLE LAW.

**THE PARTNERSHIP IS ORGANIZED IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF A LIMITED PARTNERSHIP AGREEMENT WHICH PROVIDES THAT NO UNITS MAY BE OWNED BY, AMONG OTHER THINGS, A PERSON WHO IS A "NON-RESIDENT" OF CANADA FOR PURPOSES OF THE INCOME TAX ACT (CANADA) OR A PARTNERSHIP.**

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**For further information:**

Lyne Beauregard  
Investor Relations Officer  
Creststreet Power & Income General Partner Limited  
Tel: (416) 864-3117  
E-mail: [lbeauregard@creststreet.com](mailto:lbeauregard@creststreet.com)