



CRESTSTREET

Excellence

in Flow-through Investing



Q3 2005

Creststreet 2005 Limited Partnership

Message to Limited Partners:

We are pleased to present the September 30, 2005 interim report for the Creststreet 2005 Limited Partnership (the "Partnership").

On March 30, 2005, the Partnership completed its initial public offering raising a total of \$54,281,650 for investment in flow-through shares of Canadian resource companies. We are very pleased with the flow-through portfolio that has been structured by the Partnership thus far this year and anticipate the Partnership will continue to access high quality flow-through investment opportunities for the balance of its uncommitted funds. As of October 31, 2005, the Partnership had made flow-through investments in the following companies:

Company	Sector	Market Cap (\$MM)	% of Fund
Duvernay Oil Corp.	Oil & Gas	\$ 1,898	16.8%
Kereco Energy Ltd.	Oil & Gas	470	7.4%
RedStar Oil & Gas Inc.	Oil & Gas	104	5.9%
OPTI Canada Inc.	Oil & Gas	2,846	4.5%
Mission Oil & Gas Inc.	Oil & Gas	172	4.0%
Anderson Energy Ltd.	Oil & Gas	366	3.4%
West Energy Ltd.	Oil & Gas	335	2.9%
Paramount Resources Ltd.	Oil & Gas	2,063	2.6%
Birchcliff Energy Ltd.	Oil & Gas	335	2.4%
White Fire Energy Ltd.	Oil & Gas	81	2.0%
Clear Energy Inc.	Oil & Gas	253	1.8%
Bear Ridge Resources Ltd.	Oil & Gas	130	1.7%
Berens Energy Ltd.	Oil & Gas	135	1.6%
Morpheus Energy Corp.	Oil & Gas	Private	1.4%
Angle Energy Inc.	Oil & Gas	Private	1.0%
Flagship Energy Inc. Class A & B	Oil & Gas	87	1.0%
Peerless Energy Inc. Class A & B	Oil & Gas	44	1.0%
Valiant Energy Inc.	Oil & Gas	71	0.8%
E4 Energy Inc.	Oil & Gas	67	0.6%
Ridgeback Exploration Ltd.	Oil & Gas	Private	0.5%
Total Invested			63.2%

The Partnership's investment strategy focuses primarily on Canadian natural gas producers. The growth of North American natural gas production continues to struggle as historical long life reserves are depleted and offsetting new production has higher declines and a shorter production life. Natural gas prices rallied throughout the third quarter, increasing from \$6.98/mmbtu to \$13.92/mmbtu, while crude oil prices rose strongly from US\$56.50 per barrel to US\$66.86 per barrel. The beginning of the 2005 hurricane season saw the arrival of two hurricanes to the Gulf of Mexico which confronted the energy markets with significant supply disruptions and infrastructure destruction. The price of crude oil spiked to US\$70.65/bbl when hurricane Katrina made landfall on August 31. This category-4 hurricane caused major damage to pipelines, drilling-rigs, and refineries while shutting-in the majority of production in the Gulf of Mexico region. The resulting constraints on supply have led to higher commodity prices, and energy equities have reacted favorably with the S&P/TSX Capped Energy Index gaining 25.8% in the quarter. Creststreet will continue to focus the Partnership's investments on natural gas weighted producers due to the strong supply and demand fundamentals as we anticipate that natural gas prices will remain high for the remainder of 2005 and into the years beyond.

As of October 31st, 2005, the net asset value of the Partnership was \$9.01 per unit. This net asset value represents an attractive 34.8% after-tax return for an individual investor in Ontario taxable at the highest marginal tax rate. The Partnership has a solid portfolio of high quality natural gas producers and is extremely well positioned to continue to generate strong returns for unitholders.

We encourage investors to visit our website at www.creststreet.com for timely and comprehensive updates on their investment.

Respectfully submitted,



Robert J. Toole

Managing Director

November 18, 2005

Management Discussion and Analysis

Overview

The principal purpose of Creststreet 2005 Limited Partnership (“the Partnership”) is to invest in flow-through shares of resource companies involved in oil and gas exploration in Canada. The Partnership closed its initial public offering on March 30, 2005, and raised total proceeds of \$54,281,650. The Partnership paid Agents’ Fees of \$3,644,011 (6.75% of the gross proceeds raised) and incurred \$520,388 in issue costs to complete the offering. The Partnership intends to transfer all of its assets to Creststreet Mutual Funds Limited on or about January 19, 2007, and limited partners will receive shares of Creststreet Resource Fund (the “Mutual Fund”) in exchange. Immediately following this transfer, the Partnership will be dissolved. The shares of the Mutual Fund that will be acquired on this transfer can be redeemed beginning May 25, 2007.

Results of Operations

At September 30, 2005, the Partnership had unrealized appreciation of investments of \$3,422,685 related to improved resource commodity prices. The change in appreciation during the third quarter was an increase of \$5,122,856.

For the period from March 30, 2005, to September 30, 2005, the Partnership earned \$519,381 in interest income, paid management fees of \$540,164, paid interest expense of \$89,357 on loan, and incurred administrative costs of \$140,050 related to the operation of the Partnership. Increase in net assets from operations for the period from March 30, 2005, to September 30, 2005, was \$3,172,495.

Financial Condition

At September 30, 2005, Creststreet 2005 Limited Partnership had net assets of \$53,269,746, including investments in flow through shares of resource companies of \$25,475,385, and working capital of \$31,978,760 (excluding the loan payable). The Partnership expects to invest its remaining funds prior to the end of the year. The loan payable of \$4,184,399 was used to finance the agents’ fee and expenses related to the initial public offering which allowed the Partnership to maximize the allocation of the gross proceeds of the offering towards the purchase of flow-through shares. The loan will be repaid in January 2007 prior to the rollover to the Mutual Fund using proceeds from the sales of investments. The net asset value per unit at September 30, 2005, was \$9.81.

Statement of Net Assets (unaudited)

	September 30, 2005
Assets:	
Investments in resource companies	\$ 25,475,385
Cash and cash equivalents	34,128,496
	59,603,881
Liabilities:	
Loan payable (note 3)	4,184,399
Accounts payable and accrued liabilities	2,149,736
Net assets	\$ 53,269,746
Limited partnership units outstanding	5,428,165
Net asset value per unit	\$ 9.81

See accompanying notes to financial statements

Approved by Creststreet 2005 General Partner Limited on behalf of
Creststreet 2005 Limited Partnership



Robert J. Toole
Director



Larry J. Macdonald
Director

Directors of the General Partner

J. Paul Charron
President and Chief Executive Officer
Acclaim Energy Trust

Stuart P. Hensman
Corporate Director

Larry J. Macdonald
Chairman
Point Energy Inc.

Robert J. Toole
Managing Director
Creststreet Capital Corporation

Officers of the General Partner

Robert J. Toole, President
Donna Shea, Vice-President, Finance
Sheryl Chiddenton, Secretary Treasurer
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CRESTSTREET

Statements of Operations (unaudited)

	Three Months ended Sept. 30, 2005	For the period Mar. 30 to Sept. 30, 2005
Investment income:		
Interest income	\$ 277,312	\$ 519,381
Expenses:		
Management fees (note 4)	277,286	540,164
Administrative costs	46,845	140,050
Interest expense	45,226	89,357
	369,357	769,571
Loss from investment operations	(92,045)	(250,190)
Realized and unrealized gains on investments:		
Proceeds of investments sold	-	-
Cost of investments, beginning of period	19,314,250	-
Purchases during the period	2,738,450	22,052,700
Cost of investments, end of period	22,052,700	22,052,700
Cost of investments sold	-	-
Realized gain on sale of investments	-	-
Change in unrealized appreciation of investments	5,122,856	3,422,685
Gain on investments	5,122,856	3,422,685
Increase in net assets from operations	\$ 5,030,811	\$ 3,172,495
Increase in net assets from operations per unit	\$ 0.93	\$ 0.58

See accompanying notes to financial statements

Statements of Changes in Net Assets (unaudited)

	Three Months ended Sept. 30, 2005	For the period Mar. 30 to Sept. 30, 2005
Net assets, beginning of period	\$48,238,935	\$ -
Operations:		
Increase in net assets from operations	5,030,811	3,172,495
Unitholder transactions:		
Proceeds from issue of units	-	54,281,650
Agents' fees	-	(3,664,011)
Issue costs	-	(520,388)
Increase in net assets	5,030,811	53,269,746
Net assets, end of period	\$53,269,746	\$53,269,746

See accompanying notes to financial statements

Statement of Investment Portfolio (unaudited)

As at September 30, 2005

Description	Number of Shares	Cost	Market Value
Duvernay Oil Corp.	210,000	\$7,950,000	\$8,893,500
Kereco Energy Ltd.	260,000	3,640,000	4,264,000
West Energy Ltd.	215,000	1,343,750	1,765,150
Anderson Energy Ltd.	215,000	1,720,000	1,730,750
Paramount Resources Ltd.	40,000	850,000	1,368,000
Birchcliff Energy Ltd.	200,000	1,000,000	1,250,000
White Fire Energy Ltd.	375,000	1,192,500	1,215,000
Clear Energy Inc.	185,000	1,128,500	1,034,150
Bear Ridge Resources Ltd.	175,000	752,500	841,750
Berens Energy Ltd.	300,000	735,000	840,000
Morpheus Energy Corp.	210,000	672,000	672,000
Flagship Energy Inc. - Class A	68,000	17,000	408,000
Peerless Energy Inc. - Class A	80,000	180,000	400,000
E4 Energy Inc	181,000	443,450	362,000
Ridgeback Exploration Ltd.	170,000	255,000	255,000
Peerless Energy Inc. - Class B	18,000	20,000	92,700
Flagship Energy Inc. - Class B	15,300	153,000	83,385
Total investment portfolio		\$ 22,052,700	\$ 25,475,385

See accompanying notes to financial statements

Notes to Financial Statements

For the period ended September 30, 2005

(Unaudited)

1. Creststreet 2005 Limited Partnership

Creststreet 2005 Limited Partnership (the "Partnership") was formed as a limited partnership under the laws of the Province of Ontario on December 22, 2004, and commenced operations on March 30, 2005. The principal purpose of the Partnership is to invest in flow-through shares of resource companies involved in oil and gas, mining or renewable energy exploration and development in Canada. Pursuant to a prospectus dated March 8, 2005, limited partners subscribed for 5,428,165 units of limited partnership interest. The general partner of the Partnership is Creststreet 2005 General Partner 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. Cash and Cash Equivalents

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

b. Valuation of Investments in Resource Companies

Investments are recorded at market value. Securities listed on a recognized public securities exchange are valued at their closing sale price. Securities not traded on a valuation date are valued at the average of the closing bid and ask prices, or the latest available sale price. Securities for which no published market exists are valued at cost unless a different fair value is determined by the General Partner. The difference between the current market value and the original cost is treated as an unrealized gain or loss and is included in net assets. The change from period to period is reflected in operations as a change in unrealized appreciation (depreciation) of investments. Since these securities benefited from exemption from prospectus requirements, they are generally subject to resale restrictions for four months from the date of purchase.

c. Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date and any realized gains or losses from such transactions are calculated on an average cost basis. Dividend income is recognized on the record date and interest income is accrued as earned.

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 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. Loan Payable

A term facility for up to \$7.5 million matures on the earlier of March 30, 2007 and the dissolution date of the Partnership. The facility is secured by a general security agreement and interest is calculated at prime. At September 30, 2005, the total loan payable was \$4,184,399. The loan is subject to certain financial covenants.

4. 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. For the period from March 30 to September 30, 2005, the management fee amounted to \$540,164. The General Partner also has a 0.01% beneficial interest in the Partnership.

5. Liquidity of Partnership Units and Termination of the Partnership

On or about January 19, 2007, the Partnership is scheduled to transfer all of its assets to Creststreet Resource Fund, 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, the Limited Partners will receive their pro rata share of the shares of the Mutual Fund.

6. Tax Shelter Identification Number – TS 070391

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.