



CRESTSTREET



**CRESTSTREET 2000 LIMITED
PARTNERSHIP**

Report to Unitholders:

Creststreet is pleased to welcome you as a Unitholder of Creststreet 2000 Limited Partnership (the "Partnership").

The Partnership completed the first closing of its initial public offering on July 25, 2000. To date, the Partnership has raised \$7.1 million for investment in flow-through shares of Canadian oil & gas companies. The final closing of the Partnership's offering has been set for December 15, 2000.

The prospects for Canadian oil & gas producers have never been better. Record high oil and natural gas prices have allowed companies to generate record cash flows and earnings, yet the equity prices of these producers have not increased in line with their improved underlying fundamentals. This has resulted in share prices in the energy sector being significantly undervalued.

Creststreet has been aggressively seeking flow-through investments for the Partnership since early summer. However, the undervalued nature of oil & gas equities this year has caused good quality oil & gas companies to defer until later in the year than usual issuing flow-through shares to finance their exploration programs, in the hope that share prices will improve by year-end. Creststreet's strategy has been to maintain its investment discipline and wait for these higher quality issuers to come to market later in the year.

As of today the Partnership has entered into two flow-through commitments with Tikal Resources Ltd. and Canadian Superior Energy Inc. totaling \$550,000. Based on ongoing discussions regarding the intentions of a number of oil & gas companies to issue flow-through shares prior to year-end Creststreet remains confident of its ability to invest the Partnership's proceeds in good quality oil & gas equities prior to year end.

Unitholders will be mailed the required tax information necessary to complete their income tax return by March 31, 2001.

It is Creststreet's mission to become the most respected manager of flow-through funds in the Canadian marketplace. Creststreet's strategy is to focus on smaller, more exclusive fund sizes thereby allowing Creststreet to maintain a disciplined and highly selective flow-through investments approach.

Please do not hesitate to contact us should you have any questions regarding your investment in the Partnership or visit our website at www.creststreet.com.

Respectfully submitted,

Robert J. Toole
Managing Director

November 29, 2000

CRESTSTREET 2000 LIMITED PARTNERSHIP
STATEMENT OF NET ASSETS
AS AT SEPTEMBER 30, 2000

UNAUDITED	2000
ASSETS:	
CASH AND SHORT TERM INVESTMENTS	\$ 5,893,979
	<u>5,893,979</u>
LIABILITIES:	
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	133,985
	<u>133,985</u>
NET ASSETS	\$ 5,759,994

REPRESENTED BY:

PARTNERS' CAPITAL CONTRIBUTIONS	\$ 6,460,760
COSTS OF ISSUE - AGENTS' FEES	(436,101)
- OTHER	(290,734)
SURPLUS	26,069
	<u>26,069</u>
PARTNERS EQUITY AT END OF PERIOD	\$ 5,759,994

CRESTSTREET 2000 LIMITED PARTNERSHIP
STATEMENT OF OPERATIONS AND SURPLUS
FOR THE PERIOD MAY 17, 2000 (INCEPTION) TO
SEPTEMBER 30, 2000

UNAUDITED	2000
REVENUES:	
INTEREST INCOME	\$ 47,214
	<u>47,214</u>
EXPENSES:	
MANAGEMENT FEE	19,453
ADMINISTRATIVE COSTS	1,692
	<u>21,145</u>
INCOME AND SURPLUS	\$ 26,069

STATEMENT OF CHANGE IN NET ASSETS
FOR THE PERIOD MAY 17, 2000 (INCEPTION) TO
SEPTEMBER 30, 2000

UNAUDITED	2000
OPERATIONS:	
INCOME FOR THE PERIOD	\$ 26,069
	<u>26,069</u>
UNITHOLDER TRANSACTIONS:	
PROCEEDS FROM ISSUE OF UNITS	6,460,760
PAYMENT OF AGENTS' FEES	(436,101)
PAYMENT OF COSTS OF ISSUE	(290,734)
	<u>5,733,925</u>
NET INCREASE IN NET ASSETS	5,759,994
	<u>5,759,994</u>
NET ASSETS:	
BEGINNING OF PERIOD	-
END OF PERIOD	\$ 5,759,994

DIRECTORS OF THE GENERAL PARTNER

JOHN BUDRESKI
MANAGING DIRECTOR
SCOTIA CAPITAL INC.

LARRY 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
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TORONTO, ONTARIO

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