

2004 Canadian Federal Income Tax Information

The following is intended to provide general guidance with respect to 2004 income tax reporting requirements for Canadian individual holders of Enterra Energy Trust Units. The summary is of a general nature only and is not intended to be legal or tax advice to any particular holder or potential holder of Enterra Energy Trust Units. Holders or potential holders of Enterra Energy Trust Units should consult their own legal and tax advisors as to their particular tax consequences of holding Enterra Energy Trust Units.

The distributions received by Canadian unitholders in 2004 was determined to be 47.84% taxable and 52.16% deferred return of capital ("ROC").

Canadian Unitholders

Canadian unitholders holding Enterra Energy Trust Units in a Registered Retirement Savings Plan ("RRSP"), Registered Retirement Income Fund ("RRIF") or Deferred Profit Savings Plan ("DPSP") should not report any income related to distributions on their 2004 income tax return.

Unitholders holding their units outside such plans will receive a T3 Supplementary Information slip ("T3"), postmarked on or before March 31, 2005. Enterra's Canadian registered unitholders should receive a T3 from Enterra's transfer agent, Olympia Trust Company. Unitholders that hold their units through a broker or other intermediary should receive a T3 directly from their broker or intermediary and not from Enterra or Enterra's transfer agent.

Unitholders are to report the taxable portion of distributions received as "other income" on their 2004 income tax return.

Canadian unitholders are required to reduce the adjusted cost base ("ACB") of their trust units by an amount equal to the tax deferred portion of the distributions (ROC). The ACB is used to calculate capital gains or losses on the disposition of trust units.

The following information is intended to assist individual Canadian unitholders of Enterra in the preparation of their 2003 T1 income tax return. This summary is directed to a unitholder who, for the purposes of the Act, is a resident of Canada and holds the Enterra trust units as capital property.

The December 2003 distribution, which was paid in January 2004, was a taxable event for Canadian unitholders in 2003, even though the amount was paid in 2004. Enterra's distributions are both a return of capital (i.e. a repayment of a portion of the investment) and a return on capital (i.e. income). The 2003 distribution was 72.37% taxable and 27.63% return of capital (tax deferred).

Unitholders will receive a T3 Supplementary form which will report only the taxable income component of the distribution. The tax deferred, or return of capital component of distribution, reduces the unitholder's adjusted cost base of trust units.

The information contained herein is based on the Enterra's understanding of the Canadian Income Tax Act and is provided for general information only. Unitholders are advised to consult with their personal tax advisors with respect to their individual tax positions and circumstances.