

2007 Tax Information for Canadian Residents

The following information is intended to assist a holder of trust units of the Keyera Facilities Income Fund (the Fund) who, for the purposes of the Income Tax Act of Canada (Act) is a resident of Canada and who holds the units as capital property. Unitholders are encouraged to seek advice from a qualified tax advisor with respect to the tax treatment of distributions received from the Fund in their particular situation.

Cash distributions declared in 2007 totaled \$1.476, of which 66.18% is a **return of capital** and 33.82% is **ordinary income**.

The table below identifies the portion of the Fund's distributions that were **taxable** and **returns of capital** for Canadian Income Tax purposes.

Record Date	Payment Date	Taxable		Tax Deferred	Total Distributions Paid (Cdn\$)
		Other Taxable Income (Cdn\$)	Dividend Income ¹ (Cdn\$)	Return of Capital (Cdn\$)	
January 31, 2007	February 15, 2007	\$0.04024	\$0.00000	\$0.07876	\$0.119
February 28, 2007	March 15, 2007	\$0.04024	\$0.00000	\$0.07876	\$0.119
March 30, 2007	April 16, 2007	\$0.04024	\$0.00000	\$0.07876	\$0.119
April 30, 2007	May 15, 2007	\$0.04024	\$0.00000	\$0.07876	\$0.119
May 31, 2007	June 15, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
June 29, 2007	July 16, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
July 31, 2007	August 15, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
August 31, 2007	September 17, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
September 28, 2007	October 15, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
October 31, 2007	November 15, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
November 30, 2007	December 17, 2007	\$0.04227	\$0.00000	\$0.08273	\$0.125
December 31, 2007	January 15, 2008	\$0.04227	\$0.00000	\$0.08273	\$0.125
2007 Total per unit		\$0.49914	\$0.00000	\$0.97686	\$1.476

¹ Dividend represents actual dividend amount before dividend gross up.

Trust units held outside of an RRSP, RRIF, DPSP or RESP

Unitholders holding their units outside of an RRSP, RRIF, DPSP or RESP will receive a T3 Supplementary Income Tax (T3) slip from their stockbroker in years when the cash distribution of the Fund has a component of regular income or taxable dividends. The T3 slips are required to be mailed out by March 31 of the following year and will indicate the **taxable** and **return of capital** components of the distributions. Unitholders are required to include the amounts indicated on their T3 slip on their income tax returns.

The Adjusted Cost Base (ACB) is used in calculating capital gains or losses on the disposition of trust units. Unitholders are required to reduce the ACB of their trust units by subtracting the **return of capital** amounts that became payable in a taxation year. Unitholders are required to keep a record of the **return of capital** amounts and their impact on the ACB of their trust units.

In the event a unitholder's ACB drops below zero during a taxation year, the negative amount is treated under the Act as a capital gain, which must be reported in the taxation year. The unitholder's ACB is then considered to be re-set to zero.

Trust units held within an RRSP, RRIF, DPSP or RESP

Unitholders holding their units within an RRSP, RRIF, DPSP or RESP are not required to report any of the amounts shown in the table above on their 2007 Income Tax Returns.