

2005 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 2005 totaled \$1.328, of which 56.8% is a return of capital, 24.13% is dividend income and 19.07% 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, 2005	February 15, 2005	\$0.01964	\$0.02485	\$0.05851	\$0.103
February 28, 2005	March 15, 2005	\$0.01964	\$0.02485	\$0.05851	\$0.103
March 31, 2005	April 15, 2005	\$0.01964	\$0.02485	\$0.05851	\$0.103
April 29, 2005	May 16, 2005	\$0.01964	\$0.02485	\$0.05851	\$0.103
May 31, 2005	June 15, 2005	\$0.02155	\$0.02727	\$0.06418	\$0.113
June 30, 2005	July 15, 2005	\$0.02155	\$0.02727	\$0.06418	\$0.113
July 29, 2005	August 15, 2005	\$0.02155	\$0.02727	\$0.06418	\$0.113
August 31, 2005	September 15, 2005	\$0.02155	\$0.02727	\$0.06418	\$0.113
September 30, 2005	October 17, 2005	\$0.02155	\$0.02727	\$0.06418	\$0.113
October 31, 2005	November 15, 2005	\$0.02155	\$0.02727	\$0.06418	\$0.113
November 30, 2005	December 15, 2005	\$0.02269	\$0.02871	\$0.06760	\$0.119
December 30, 2005	January 15, 2006	\$0.02269	\$0.02871	\$0.06760	\$0.119
2005 Total per unit		\$0.25324	\$0.32044	\$0.75432	\$1.328

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 2005 Income Tax Returns.