

N.B. The regular weekly royalty trust tables appear on pages 3 and 4.

Pengrowth Indicates Highest Rate of Distribution

Symbol	PGH	Ebitda Next Twelve Months ending 9/30/07 (US\$mm)	760
Rating	None	North American Natural Gas/Ebitda (%)	42
Price (US\$/sh)	18.37	Natural Gas and Oil Production/Ebitda (%)	100
Pricing Date	10/12/06	Adjusted Reserves/Production NTM	7.4
Shares (mm)	220	EV/Ebitda	7.0
Market Capitalization (US\$mm)	4,050	PV/Ebitda	7.5
Debt (US\$mm)	1,240	Undeveloped Reserves (%)	16
Enterprise Value (EV) (US\$mm)	5,290	Natural Gas and Oil Ebitda (US\$/boe)	32.80
Present Value (PV) (US\$mm)	5,640	Present Value Proven Reserves(US\$/boe)	29.00
Net Present Value (US\$/share)	20	Present Value Proven Reserves(US\$/mcf)	4.80
Debt/Present Value	0.22	Earnings Next Twelve Months (US\$/sh)	1.90
McDep Ratio - EV/PV	0.94	Price/Earnings Next Twelve Months	10
Dividend Yield (%/year)	14.5	Indicated Annual Dividend (US\$/sh)	2.67

Note: Estimated cash flow and earnings tied to one-year futures prices for oil, natural gas and refinery crack.

Reported results may vary widely from estimates. Estimated present value per share revised only infrequently.

Estimated present value presumes a long-term price for oil of US\$60 a barrel and natural gas, \$10 a million btu.

Summary

Among income stocks in our coverage, **Pengrowth Energy Trust (PGH)** offers the highest currently indicated annual rate of distributions at 14.5% for the next twelve months. Though we do not have a rating on the stock, it is a reasonable income investment with a positive long-term record. A wide disparity in price between units that could only be owned by Canadians and those that could be owned by anyone was eliminated with the return to one class of units at mid year. At the end of the third quarter, PGH became the third largest Canadian trust as it expanded almost 40% with the closing of three deals – acquisition of another trust, Esprit, the acquisition of oil and gas reserves from buy-rated **ExxonMobil (XOM)** and the issuance of new units in a “bought deal”, a type of underwriting as it is known in Canada. After the transactions, estimated net present value (NPV) remains US\$20 a unit. The McDep Ratio of 0.94 relates to present value about 8% higher than that implied by our correlation with reserve life for 25 companies. Regular issuance of new units introduces elements of cost and dilution that need to be overcome in each new deal.

Kurt H. Wulff, CFA

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Natural Gas and Oil Royalty Trusts

A Weekly Analysis

October 13, 2006

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Pengrowth Energy Trust Next Twelve Months Operating and Financial Estimates

	Q3	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	9/30/05	6/30/06	9/30/06	12/31/06	2006E	3/31/07	6/30/07	9/30/07	9/30/07
Volume									
Natural Gas (mmcf)	164	151	151	250	177.7	250	250	250	250.0
Oil (mbd)	31.51	31.20	31.20	40.00	33.75	40.00	40.00	40.00	40.00
Total (mbd)	58.9	56.4	56.4	81.7	63.4	81.7	81.7	81.7	81.7
Price									
Henry Hub (\$/mmbtu)	8.56	6.81	6.58	5.78	7.04	7.91	7.45	7.65	7.20
Currency (US\$/C\$)	0.83	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89
Henry Hub (C\$/mmbtu)	10.29	7.63	7.40	6.50	7.96	8.89	8.36	8.59	8.09
Differential (\$/mmbtu)	1.60	0.94	0.92	0.80	1.22	1.10	1.03	1.06	1.00
Company (\$/mcf)	8.69	6.69	6.48	5.69	6.75	7.79	7.33	7.53	7.08
WTI Cushing (\$/bbl)	62.52	70.47	70.42	58.47	65.67	62.04	64.14	65.36	62.50
WTI Cushing (C\$/bbl)	75.14	79.00	79.11	65.69	74.15	69.70	72.06	73.43	70.22
Differential	8.21	10.55	10.57	8.77	11.55	9.31	9.62	9.81	9.38
Company	66.93	68.45	68.55	56.91	62.59	60.40	62.43	63.63	60.84
Total (\$/bbl)	60.05	55.81	55.31	45.31	52.26	53.43	53.02	54.22	51.48
Revenue (\$mm)									
Natural Gas	131	92	90	131	437	175	167	173	646
Oil	194	194	197	209	771	217	227	234	888
Royalty	(57)	(45)	(45)	(54)	(209)	(62)	(62)	(64)	(241)
Other	(19)	1			1				-
Total	249	242	242	287	1,001	331	332	343	1,293
Expense									
Operating	59	68	68	83	283	97	97	101	378
Other	8	9	9	9	36	9	9	9	36
Total	67	77	77	92	319	106	106	110	414
Ebitda									
	182	165	165	195	682	225	226	233	879
Deprec., Deplet., & Amort.	74	68	68	82	289	82	82	82	328
Other Non Cash	(4)	0	3	(2)	5	1	1	2	2
Ebit									
	112	97	93	115	388	142	143	150	550
Interest	6	7	7	16	36	16	16	16	64
Ebt									
	106	90	86	99	352	126	127	134	486
Income Tax	2	(23)							
Management	4	3	3	4	14	4	4	4	16
Net Income (\$mm)									
	100	110	83	95	355	122	123	130	470
Per Share (\$)	0.63	0.68	0.52	0.43	2.04	0.56	0.56	0.59	2.13
Shares (millions)									
	159	161	161	220	174	220	220	220	220
Operating (\$/bbl)	10.89	13.26	13.12	11.02	12.23	13.19	13.09	13.42	12.68
General and admin (\$/bbl)	1.48	1.75	1.74	1.20	1.56	1.22	1.21	1.20	1.21
Ebitda Margin	73%	68%	68%	68%	68%	68%	68%	68%	68%
Deprec., D,& A (\$/bbl)	13.66	13.26	13.11	10.91	12.50	11.16	11.03	10.91	11.00

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**Pengrowth Energy Trust
Functional Cash Flow and Present Value**

	<i>NTM Ebitda</i> <i>(US\$mm)</i>	<i>Adjusted</i> <i>R/P</i>	<i>PV/</i> <i>Ebitda</i>	<i>Present</i> <i>Value</i> <i>(US\$mm)</i>	
North American Natural Gas	320	6.1	7.2	2,300	41%
Oil	440	8.7	7.6	3,340	59%
	760	7.4	7.4	5,640	100%
Debt (US\$mm)					1,240
Net Present Value (US\$mm)					4,400
Shares (mm)					220
Net Present Value - Standard Estimate (US\$/sh)					20
Net Present Value - Approximation by Correlation (US\$/sh)					18

**Natural Gas and Oil Royalty Trusts
Rank by McDep Ratio: Market Cap and Debt to Present Value**

	<i>Symbol/</i> <i>Rating</i>	<i>Price</i> <i>(\$/sh)</i> <i>12-Oct</i> <i>2006</i>	<i>Shares</i> <i>(mm)</i>	<i>Market</i> <i>Cap</i> <i>(\$mm)</i>	<i>Net</i> <i>Present</i> <i>Value</i> <i>(\$/un)</i>	<i>Debt/</i> <i>Present</i> <i>Value</i>	<i>McDep</i> <i>Ratio</i>
U.S. Royalty Trusts							
Cross Timbers Royalty Trust	CRT	48.20	6.0	290	46.00	-	1.05
Sabine Royalty Trust	SBR	45.05	14.6	660	45.00	-	1.00
Permian Basin RT	PBT	16.02	46.6	750	16.50	-	0.97
Dorchester Minerals, L.P.	DMLP	25.15	28.2	710	27.00	-	0.93
San Juan Basin Royalty Trust	SJT B	36.11	46.6	1,680	40.00	-	0.90
Hugoton RoyaltyTrust	HGT	25.10	40.0	1,000	34.00	-	0.74
Mesa RoyaltyTrust	MTR	50.49	1.9	90	70.00	-	0.72
	<i>Total or Median</i>			5,200			0.93
Canadian Income Trusts (US\$)							
Enerplus Resources Fund	ERF	50.10	123.0	6,160	47.00	0.11	1.06
Pengrowth Energy Trust	PGH	18.37	220.2	4,050	20.00	0.22	0.94
Penn West Energy Trust	PWE B	33.65	246.0	8,280	39.00	0.13	0.88
Canadian Oil Sands Trust	COSWF B	25.17	466.1	11,730	35.00	0.09	0.74
	<i>Total or Median</i>			30,200		0.12	0.91

B = Buy

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

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Natural Gas and Oil Royalty Trusts Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	Symbol/ Rating	Price (\$/sh) 12-Oct 2006	Adjstd Resrvs/ Prod NTM	PV/ Ebitda NTM	EV/ Ebitda NTM	P/E NTM	Divd or Distrib NTM (%)
U.S. Royalty Trusts							
Sabine Royalty Trust	SBR	45.05		13.6	13.6	13.6	7.4
Cross Timbers Royalty Trust	CRT	48.20		12.7	13.3	13.5	7.4
San Juan Basin Royalty Trust	SJT	B 36.11		12.5	11.3	14.4	6.9
Dorchester Minerals, L.P.	DMLP	25.15		11.8	11.0	17.8	8.6
Permian Basin RT	PBT	16.02		11.2	10.9	12.3	8.2
Mesa RoyaltyTrust	MTR	50.49		12.6	9.1	11.4	8.8
Hugoton RoyaltyTrust	HGT	25.10		11.4	8.4	13.7	7.3
	<i>Median</i>			12.5	11.0	13.6	7.4
Canadian Income Trusts (US\$)							
Canadian Oil Sands Trust	COSWF	B 25.17	24.4	13.0	9.7	13.4	7.5
Enerplus Resources Fund	ERF	50.10	9.4	8.2	8.7	20.0	9.0
Penn West Energy Trust	PWE	B 33.65	8.0	8.7	7.7	14.0	10.9
Pengrowth Energy Trust	PGH	18.37	7.4	7.5	7.0	9.7	14.5
	<i>Median</i>		8.7	8.5	8.2	13.7	9.9

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended September 30, 2007; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Natural Gas and Oil Royalty Trusts Rank by NTM Distribution Yield

	Symbol	Revenue Royalty (%)	Natural Gas/ Ebitda (%)	Dist/ Ebitda	Dist/ Equity Ebitda	NTM Distribution (\$mm)	Dist. Yield (\$/un)	Dist. Yield (%)
U.S. Royalty Trusts								
San Juan Basin Royalty Trust	SJT	-	98	0.78	0.78	117	2.51	6.9
Hugoton RoyaltyTrust	HGT	-	89	0.62	0.62	73	1.83	7.3
Sabine Royalty Trust	SBR	100	57	1.00	1.00	48	3.32	7.4
Cross Timbers Royalty Trust	CRT	81	68	0.98	0.98	21	3.57	7.4
Permian Basin RT	PBT	29	35	0.89	0.89	61	1.31	8.2
Dorchester Minerals, L.P.	DMLP	56	73	0.95	0.95	61	2.16	8.6
Mesa RoyaltyTrust	MTR	-	74	0.80	0.80	8	4.45	8.8
	<i>Total or Median</i>		73	0.89	0.89	400		7.4
Canadian Income Trusts (US\$)								
Canadian Oil Sands Trust	COSWF	-	(8)	0.64	0.70	876	1.88	7.5
Enerplus Resources Fund	ERF	-	43	0.70	0.78	552	4.49	9.0
Penn West Energy Trust	PWE	-	38	0.71	0.82	898	3.65	10.9
Pengrowth Energy Trust	PGH	-	42	0.78	1.00	588	2.67	14.5
	<i>Total or Median</i>		40	0.70	0.80	2,900		9.9
Kinder Morgan Energy Partners	KMP			0.75	1.70			7.2

NTM = Next Twelve Months Ended September 30, 2007

Ebitda = Earnings before interest, tax, depreciation and amortization

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