

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement (the "**Prospectus Supplement**"), together with the accompanying short form base shelf prospectus dated May 15, 2009 to which it relates, as amended or supplemented (the "**Prospectus**"), and each document incorporated by reference into this Prospectus Supplement and into the Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States of America except pursuant to an exemption therefrom. See "Plan of Distribution".

**Information has been incorporated by reference in this Prospectus Supplement and the Prospectus from documents filed with the securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of NAL Resources Management Limited, the Manager of NAL Oil & Gas Trust, at Suite 1000, 550 – 6<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 0S2, telephone (403) 294-3600, and are also available electronically at [www.sedar.com](http://www.sedar.com).

**New Issue**

**May 21, 2009**

**Prospectus Supplement to the Short Form Base Shelf Prospectus Dated May 15, 2009**



**NAL OIL & GAS TRUST**

**\$75,150,000**  
**8,350,000 Trust Units**

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**\$9.00 per Trust Unit**

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NAL Oil & Gas Trust (the "**Trust**") is hereby qualifying for distribution 8,350,000 trust units ("**Trust Units**") of the Trust at a price of \$9.00 per Trust Unit (the "**Offering**"). The issued and outstanding Trust Units of the Trust are listed on the Toronto Stock Exchange (the "**TSX**") under the symbol "NAE.UN". On May 19, 2009, the last trading day prior to the public announcement of the Offering, the closing price of the Trust Units on the TSX was \$9.75. The Trust has applied to list the Trust Units offered by this Prospectus Supplement on the TSX. Listing will be subject to the Trust fulfilling all of the listing requirements of the TSX.

**It is important for an investor to consider the particular risk factors that may affect the industry in which the investor is investing. See "Risk Factors" in the Prospectus.**

**Prospective investors should be aware that the purchase of Trust Units may have tax consequences. This Prospectus Supplement and the Prospectus do not describe these tax consequences fully. Prospective investors should read the tax discussion in this Prospectus Supplement and consult with a tax advisor. See "Canadian Federal Income Tax Considerations".**

The offering price of the Trust Units offered under this Prospectus Supplement was determined by negotiation among the Trust and RBC Dominion Securities Inc. and BMO Nesbitt Burns Inc. (the "**Co-lead Underwriters**"), on their own behalf and on behalf of CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., Canaccord

Capital Corporation, National Bank Financial Inc., Raymond James Ltd. and Peters & Co. Limited (collectively, the "Underwriters").

	<u>Price to the Public</u>	<u>Underwriters' Fee</u>	<u>Net Proceeds to the Trust<sup>(1)</sup></u>
Per Trust Unit	\$9.00	\$0.45	\$8.55
Total	\$75,150,000	\$3,757,500	\$71,392,500

**Notes:**

- (1) Before deducting expenses of the Offering, estimated to be \$200,000.
- (2) The Trust has granted to the Underwriters an option (the "**Over-Allotment Option**") to purchase up to an additional 1,252,500 Trust Units, representing up to 15% of the offering of Trust Units, at a price of \$9.00 per Trust Unit on the same terms and conditions as the Offering, exercisable in whole or in part, from time to time, not later than the 30th day following the closing of the Offering to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to the Trust (before deducting expenses of the Offering) will be \$86,422,500, \$4,321,125 and \$82,101,375 respectively. A purchaser who acquires Trust Units forming part of the Underwriters' over-allotment position acquires those Trust Units under this Prospectus Supplement regardless of whether the over-allotment position is filled through exercise of the Over-Allotment Option or secondary market purchases. This Prospectus Supplement also qualifies for distribution the issuance of the additional Trust Units pursuant to the exercise of the Over-Allotment Option. See "Plan of Distribution".

<u>Underwriters' Position</u>	<u>Maximum size or number of securities held</u>	<u>Exercise period</u>	<u>Exercise price</u>
Over-Allotment Option	1,252,500 Trust Units	Within 30 days following closing of the Offering	\$9.00 per Trust Unit

The Underwriters, as principals, conditionally offer the Trust Units, subject to prior sale, if, as and when issued by the Trust and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to approval of certain legal matters relating to the Offering on behalf of the Trust by Bennett Jones LLP and on behalf of the Underwriters by Fraser Milner Casgrain LLP.

The Trust has been advised by the Underwriters that, subject to applicable laws, in connection with the Offering the Underwriters may effect transactions that stabilize or maintain the market price of the Trust Units at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

The head office and principal place of business of the Trust is located at 1000, 550 – 6<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 0S2.

**Each of RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., and Scotia Capital Inc. is, directly or indirectly, an affiliate of a bank or other financial institution which is a lender to the Trust and to which the Trust is presently indebted. Consequently, the Trust may be considered to be a connected issuer of each of these Underwriters under applicable Canadian securities legislation. See "Relationship among the Trust and Certain Underwriters".**

A return on an investment in Trust Units is not comparable to the return on an investment in a fixed-income security. The recovery of an initial investment in Trust Units is at risk, and the anticipated return on such investment is based on many performance assumptions. **Although the Trust may make distributions of available cash flow to holders of Trust Units ("Unitholders"), cash distributions are not guaranteed and may be reduced, suspended or eliminated.** Any amounts that may be distributed by the Trust in the future will depend on numerous factors including, among other things: the financial performance of the Trust's operating subsidiaries, debt obligations, working capital requirements, future capital requirements and the ability of the Trust to meet certain of the covenants set forth under the terms of its credit facility. See "Material Debt" in the Prospectus. In addition, the market value of the Trust Units may deteriorate if the Trust reduces its cash distributions or otherwise does not meet cash distribution expectations in the future, and that deterioration may be material. See "Risk Factors".

The return from an investment in Trust Units to Unitholders subject to Canadian income tax can be made up of both a return on capital and a return of capital. That composition may change over time, thus affecting an investor's after tax return. Distributions of income are currently subject to Canadian income tax as ordinary income in the hands of a Unitholder who is resident in Canada for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**"). Subject to certain amendments to the Tax Act (the "**SIFT Rules**"), commencing January 1, 2011 (provided the Trust only experiences "normal growth" before then) certain distributions from the Trust which otherwise would have been taxed as ordinary income generally will be characterized as dividends and the Trust will be subject to tax at corporate rates on the amount of those distributions. Returns of capital generally are not required to be (and under the SIFT Rules will continue to not be required to be) included in income for Unitholders who are resident in Canada for purposes of the Tax Act, but rather reduce the adjusted cost base of such Unitholder's Trust Unit(s) for purposes of the Tax Act. Distributions of income to a Unitholder who is not resident in Canada for purposes of the Tax Act, or that is a partnership that is not a "Canadian partnership" for purposes of the Tax Act, generally will be subject to Canadian withholding tax both before and after the application of the SIFT Rules as trust distributions and taxable dividends, respectively. The portion of any distributions which constitute a return of capital will be, and will be under the SIFT Rules, subject to a 15% Canadian withholding tax for a Unitholder who is not resident in Canada for the purposes of the Tax Act. Prospective investors should consult their own tax advisors with respect to the Canadian income tax considerations applicable in their own circumstances. See the discussion under the headings "Risk Factors" in the Prospectus and "Canadian Federal Income Tax Considerations" in this Prospectus Supplement.

Subscriptions for Trust Units offered under this Prospectus Supplement will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing will occur on or about May 28, 2009 or such other date not later than June 22, 2009 as the Trust and the Co-lead Underwriters may agree.

**The Underwriters propose to offer the Trust Units initially at the offering price specified above. After a reasonable effort has been made to sell all of the Trust Units at the price specified, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Trust Units remaining unsold. Any such reduction will not affect the proceeds received by the Trust. See "Plan of Distribution".**

**The Trust Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of that Act or any other legislation. Furthermore, the Trust is not a trust company and, accordingly, it is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.**

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## **IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this Prospectus Supplement, which describes the specific terms of the Trust Units that are being offered and also adds to and updates certain information contained in the Prospectus and the documents incorporated by reference into this Prospectus Supplement or the Prospectus. The second part, the Prospectus, gives more general information.

You should rely only on the information contained in or incorporated by reference into this Prospectus Supplement and the Prospectus. The Trust has not, and the Underwriters have not, authorized any other person to provide prospective investors with different information and any such information should not be relied upon. The Trust is not, and the Underwriters are not, making an offer to sell the Trust Units in any jurisdiction where the offer or sale is not permitted. Readers should assume that the information appearing in this Prospectus Supplement and the Prospectus, as well as information the Trust has previously filed with the securities regulatory authority in each of the provinces of Canada that is incorporated by reference into this Prospectus Supplement or the Prospectus, is accurate as of their respective dates only. The business, financial condition, results of operations and prospects of the Trust may have changed since those dates.

Unless the context otherwise requires, all references in this Prospectus Supplement to the "Trust" means NAL Oil & Gas Trust and, where the context requires, includes the Trust and all of its consolidated subsidiaries and any partnership of which the Trust and its subsidiaries are the partners.

Unless otherwise specifically stated, all financial information included and incorporated by reference in the Prospectus and this Prospectus Supplement is determined using Canadian generally accepted accounting principles, referred to as "**Canadian GAAP**" and references to "**dollars**" and "**\$**" are to Canadian dollars.

### **FORWARD-LOOKING STATEMENTS**

This prospectus and certain documents incorporated by reference into this prospectus contain forward-looking information within the meaning of applicable Canadian securities legislation. Forward-looking information is typically identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "could", "plan", "intend", "should", "believe", "outlook", "project", "potential", "target", and similar words suggesting future events or future performance. In addition, statements relating to "reserves" are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities estimated and can be profitably produced in the future.

In particular, this prospectus and certain documents incorporated by reference into this prospectus, contain forward-looking information pertaining to the following, without limitation: the performance characteristics of the crude oil and natural gas properties of the Trust and its direct and indirect subsidiaries (the "**NAL Group**"); crude oil and natural gas production levels; the size of, and future net revenues from, the crude oil and natural gas reserves; projections of market prices and costs and the related sensitivity of distributions; supply and demand for crude oil and natural gas; expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development; the NAL Group's future operating and financial results; treatment under governmental regulatory regimes and tax laws; capital expenditure programs; future tax treatment of the Trust; future structure of the Trust and its subsidiaries; the Trust's tax pools; operating costs; the amount of future asset retirement obligations; future liquidity and future financial capacity; future results from operations; payout ratios; cost estimates and royalty rates; drilling plans; tie-in of wells; future development, exploration, and acquisition and development activities and related expenditures; the completion of the Arrangement and the Disposition or either of them; the impact of the Arrangement, the Disposition and the Partnership Agreement (all as defined under the heading "Recent Developments" in the Prospectus), or any of them, on the business, operations and assets of the Trust and on the Unitholders.

With respect to forward-looking statements contained in this prospectus, and certain documents incorporated by reference into this prospectus, certain assumptions have been made regarding, among other things: future oil and natural gas prices; future capital expenditure levels; future oil and natural gas production levels; future exchange rates; the amount of future cash distributions; the cost of expanding property holdings; the ability to obtain

equipment in a timely manner to carry out development activities; the ability to market the oil and natural gas successfully to current and new customers; the impact of increasing competition; the ability to obtain financing on acceptable terms; income tax laws applicable to the Trust; and the ability to add production and reserves through development and exploitation activities.

Although the Trust and NAL Resources Management Limited (the "**Manager**") believe that the expectations reflected in the forward-looking information contained in the prospectus, and certain documents incorporated by reference in this prospectus, and the assumptions on which such forward-looking information are made, are reasonable, readers are cautioned not to place undue reliance on such forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which the forward-looking information are based will occur. Such information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated and which may cause the NAL Group's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance. These risks and uncertainties include, without limitation: changes in commodity prices; unanticipated operating results or production declines; the impact of weather conditions on seasonal demand and ability to execute the capital program; risks inherent in oil and gas operations; incorrect assessments of the value of acquisitions and exploration and development programs; geological, technical, drilling and processing problems; failure to realize the anticipated benefits of acquisitions; the imprecision of reserve estimates; limited, unfavorable or no access to capital or credit markets; the impact of competitors; the lack of availability of qualified operating or management personnel; the ability to obtain industry partner and other third party consents and approvals, when required; failure to realize the anticipated benefits of acquisitions; general economic conditions in Canada, the United States and globally; fluctuations in foreign exchange or interest rates; changes in government regulation of the oil and gas industry, including environmental regulation; changes in royalty rates; changes in tax laws and incentive programs relating to the oil and gas industry and income trusts; including the impact of legislation relating to the taxation of "specified investment flow-through" entities and proposed amendments to the Tax Act to permit the conversion of income trusts into corporations by the Federal government; stock market volatility and market valuations; OPEC's ability to control production and balance global supply and demand for crude oil at desired price levels; political uncertainty, including the risk of hostilities in the petroleum producing regions of the world; and other risk factors discussed in other public filings of the Trust.

The Trust cautions that the foregoing list of factors that may affect future results is not exhaustive. The forward-looking information contained in the prospectus is made as of the date of this prospectus. The forward-looking information contained in this Prospectus and in any documents incorporated by reference herein is expressly qualified by this cautionary statement. Neither the Trust nor the Manager undertakes any obligation to publicly update or revise any forward-looking information except as required pursuant to applicable securities laws.

## **DOCUMENTS INCORPORATED BY REFERENCE**

**Information has been incorporated by reference in this Prospectus Supplement and the Prospectus from documents filed with securities commissions and similar regulatory authorities in Canada.**

This Prospectus Supplement is incorporated by reference into the Prospectus as of the date hereof and only for the purposes of the distribution of the Trust Units offered hereby, including Trust Units offered pursuant to the Over-Allotment Option granted to the Underwriters. Other documents are also incorporated or deemed to be incorporated by reference into the Prospectus and reference should be made to the Prospectus for full details.

Under applicable securities laws in Canada, the Canadian securities commissions or similar regulatory authorities allow the Trust to incorporate by reference certain information that it files with the Canadian securities commissions or similar authorities, which means that the Trust can disclose important information to prospective investors by reference to those documents. Information that is incorporated by reference is an important part of the Prospectus and this Prospectus Supplement. The following documents of the Trust have been filed with the various securities commissions or similar regulatory authorities in the provinces of Canada and are specifically incorporated by reference into and form an integral part of the Prospectus and this Prospectus Supplement:

1. the annual information form of the Trust dated March 20, 2009 for the year ended December 31, 2008 (the "**AIF**");

2. the audited comparative consolidated financial statements of the Trust as at and for the years ended December 31, 2008 and 2007, together with the notes thereto and the auditors' report thereon;
3. management's discussion and analysis of the financial condition and results of operations of the Trust for the year ended December 31, 2008 ("MD&A");
4. the unaudited comparative consolidated financial statements of the Trust as at and for the three month period ended March 31, 2009;
5. management's discussion and analysis of the financial condition and results of operations of the Trust for the three month period ended March 31, 2009 (the "Q1 MD&A"); and
6. the information circular of the Trust dated April 14, 2009 relating to the annual meeting of Unitholders held on May 20, 2009.

Any documents of the type required by National Instrument 44-101 *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus including any material change reports (excluding confidential material change reports), comparative interim financial statements, comparative annual financial statements and the auditors' report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms and business acquisition reports filed by the Trust with the securities commissions or similar regulatory authorities in the provinces of Canada subsequent to the date of this Prospectus Supplement and prior to the termination of this distribution are deemed to be incorporated by reference in this Prospectus Supplement.

**Any statement contained in the Prospectus or this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference in the Prospectus or this Prospectus Supplement shall be deemed to be modified or superseded for the purposes of the Prospectus and this Prospectus Supplement to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference in the Prospectus or this Prospectus Supplement modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement or the Prospectus.**

Upon a new annual information form and corresponding annual financial statements and related management's discussion and analysis being filed by the Trust with, and where required, accepted by, the applicable securities regulatory authorities during the currency of the Prospectus or this Prospectus Supplement, as applicable, the previous annual information form and all annual financial statements, interim financial statements and the related management's discussion and analysis, material change reports, business acquisition reports and information circulars filed prior to the commencement of the Trust's financial year in respect of which the new annual information form is filed shall be deemed no longer to be incorporated by reference into the Prospectus or this Prospectus Supplement for purposes of future offers and sales of securities of the Trust under the Prospectus. Upon interim consolidated financial statements and the related management's discussion and analysis being filed by the Trust with the applicable securities regulatory authorities during the currency of the Prospectus and this Prospectus Supplement, as applicable, all interim consolidated financial statements and the related management's discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated in the Prospectus or this Prospectus Supplement for purposes of future offers and sales of securities of the Trust under the Prospectus. Upon a new management information circular and proxy statement relating to an annual meeting of Unitholders being filed by the Trust with the applicable securities regulatory authorities during the currency of the Prospectus and this Prospectus Supplement, as applicable, the management information circular and proxy statement for the preceding annual meeting of Unitholders shall be deemed no longer to be incorporated

into the Prospectus or this Prospectus Supplement for purposes of future offers and sales of securities of the Trust under the Prospectus.

### NAL OIL & GAS TRUST

The Trust is an unincorporated open-end investment trust formed under the laws of the Province of Alberta pursuant to a trust indenture, which was amended and restated on May 31, 2006, between Computershare Trust Company of Canada (the "**Trustee**") and NAL Energy Inc. ("**NAL**"). The Trust was created to acquire a royalty from NAL and to issue Trust Units to the public. Pursuant to the amended and restated royalty agreement among NAL and the Trustee effective June 1, 2008, NAL acquires oil and natural gas properties and sells a royalty to the Trust entitling the Trust to 99% of the revenues from the properties held by NAL less certain defined costs and debt repayments. The Trust also receives distributions, directly or indirectly, from its direct and indirect subsidiaries. The beneficiaries of the Trust are the Unitholders.

Income received by the Trust, consisting essentially of the operating cash flow generated by its properties, is distributed to Unitholders. The current structure of the Trust is such that substantially all income taxation is expected to occur only in the hands of the Unitholders.

For a more complete description of the Trust and its direct and indirect subsidiaries, please refer to the heading "NAL Oil & Gas Trust" in the AIF.

### PRICE RANGE AND TRADING VOLUME OF THE TRUST UNITS

The Trust Units trade on the TSX under the trading symbol "NAE.UN". A table setting forth the price range and trading volumes for the Trust Units and convertible extendible unsecured subordinated debentures of the Trust (the "**Debentures**") on the TSX as reported by the TSX is set forth in the Prospectus under the heading "Price Range and Trading Volume of the Trust Units". The following table sets forth the price range and trading volumes for the Trust Units and Debentures on the TSX for May 2009:

Period	Trust Units			Period	Debentures		
	High	Low	Volume		High	Low	Volume
May (1-20)	\$9.99	\$8.81	6,456,259	May (1-20)	\$100.00	\$94.00	1,356,000

On May 19, 2009, the last trading day prior to the public announcement of the Offering, the closing price of the Trust Units on the TSX was \$9.75.

On May 15, 2009, the Trust issued 122,008 Trust Units at a price of \$8.7392 per Trust Unit under the Trust's Distribution Reinvestment and Optional Trust Unit Purchase Plan.

### DISTRIBUTIONS TO UNITHOLDERS

A table setting forth the monthly distributions that have been declared and/or paid by the Trust since January 1, 2007 is set forth in the Prospectus under the heading "Distributions to Unitholders". Income of the Trust which is distributed to Unitholders ("**Distributable Income**") is calculated by the Manager and approved by the Board of Directors. The Trust distributes Distributable Income on the 15th day of each calendar month, or if the 15th day does not fall on a business day, the next business day following the 15th day of the calendar month. The historical distributions described in the Prospectus may not be reflective of future distributions, which will be subject to review by the Board of Directors of NAL taking into account the prevailing circumstances at the relevant time. See "Risk Factors".

The Offering is expected to close on or about May 28, 2009. If the Offering closes on or before June 22, 2009 as currently contemplated, holders of Trust Units will become holders of Trust Units on or before June 22, 2009 and will be entitled, provided that they hold on June 22, 2009 the Trust Units received pursuant to the Offering, to receive the July monthly distribution expected to be paid on or about July 15, 2009 to Unitholders of record on June 22, 2009.

## USE OF PROCEEDS

The estimated net proceeds from the Offering will be approximately \$71,192,500 (\$81,901,375 if the Over-Allotment Option is exercised in full) after deducting the fees payable to the Underwriters and expenses of the Offering, estimated to be \$200,000. See "Plan of Distribution". The net proceeds from the Offering will be added to the working capital of the NAL Group and will be used for the general corporate purposes. See "Relationship Among the Trust and Certain Underwriters" in this Prospectus Supplement.

## PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement (the "**Underwriting Agreement**") dated as of May 19, 2009 among the Trust, NAL, the Manager and the Underwriters, the Trust has agreed to issue and sell an aggregate of 8,350,000 Trust Units to the Underwriters, and the Underwriters have severally agreed to purchase such Trust Units at a price of \$9.00 per Trust Unit on May 28, 2009 or such other date not later than June 22, 2009 as the Trust and the Co-lead Underwriters may agree, payable in cash to the Trust against delivery of the Trust Units. The terms of the Offering were determined by negotiation among the Trust and the Co-lead Underwriters, on behalf of the Underwriters.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint, and may be terminated at their discretion upon the occurrence of certain stated events. If an Underwriter fails to purchase the Trust Units that it has agreed to purchase, the other Underwriters may, but are not obligated to, purchase the Trust Units. The Underwriters are, however, obligated to take up and pay for all Trust Units if they are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that the Trust will indemnify the Underwriters and their directors, officers, agents, shareholders and employees against certain liabilities and expenses.

It is expected that closing will occur on or about May 28, 2009, or such other date not later than June 22, 2009 as the Trust and the Co-lead Underwriters may agree.

In addition, the Trust has granted to the Underwriters the Over-Allotment Option to purchase up to an additional 1,252,500 Trust Units, representing up to 15% of the Offering of Trust Units, at a price of \$9.00 per Trust Unit on the same terms and conditions as the Offering of the Trust Units, exercisable in whole or in part from time to time, not later than the 30th day following the closing of the Offering to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total offering price, Underwriters' fee and net proceeds to the Trust (before deducting expenses of the Offering) will be \$86,422,500, \$4,321,125 and \$82,101,375 respectively. This Prospectus Supplement also qualifies for distribution the issuance of the additional Trust Units pursuant to the exercise of the Over-Allotment Option.

Pursuant to rules and policy statements of certain securities regulators, the Underwriters may not, at any time during the period ending on the date the selling process for the Trust Units offered under this Prospectus Supplement ends and all stabilization arrangements relating to the Trust Units are terminated, bid for or purchase Trust Units. The foregoing restrictions are subject to certain exceptions including: (a) a bid for or purchase of Trust Units if the bid or purchase is made through the facilities of the TSX in accordance with the Universal Market Integrity Rules of Market Regulation Services Inc.; (b) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Underwriter, or if the client's order was solicited, the solicitation occurred before the period of distribution as prescribed by the rules; and (c) a bid or purchase to cover a short position entered into prior to the period of distribution as prescribed by the rules. The Underwriters may engage in market stabilization or market balancing activities on the TSX where the bid for or purchase of the Trust Units is for the purpose of maintaining a fair and orderly market in the Trust Units, subject to price limitations applicable to such bids or purchases. Such transactions, if commenced, may be discontinued at any time.

The Trust has agreed that, subject to certain exceptions, it will not offer or issue, or enter into an agreement to offer or issue, Trust Units or any securities convertible or exchangeable into Trust Units for a period of 90 days subsequent to the closing date of the Offering without the consent of the Co-lead Underwriters, which consent may not be unreasonably withheld.

The Underwriters propose to offer the Trust Units initially at the offering price specified above. After a reasonable effort has been made to sell all of the Trust Units at the price specified, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Trust Units remaining unsold. In the event the offering price of the Trust Units is reduced, the compensation received by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers for the Trust Units is less than the gross proceeds paid by the Underwriters to the Trust for the Trust Units. Any such reduction will not affect the proceeds received by the Trust.

The Trust has been advised by the Underwriters that, subject to applicable laws, in connection with the Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the Trust Units at levels other than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Trust has applied to list the Trust Units distributed under this Prospectus Supplement on the TSX. Listing will be subject to the Trust fulfilling all of the listing requirements of the TSX.

The Trust Units have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**") or any state securities laws, and, may not be offered or sold within the United States except in transactions exempt from registration. Accordingly, the Trust Units will be offered or sold to purchasers in the United States only in transactions that are exempt from or not subject to the registration requirements of the U.S. Securities Act and state securities laws. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Trust Units outside the United States only in accordance with Regulation S under the U.S. Securities Act.

In addition, until 40 days after the commencement of the Offering, an offer or sale of Trust Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.

#### **RELATIONSHIP AMONG THE TRUST AND CERTAIN UNDERWRITERS**

Each of RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., and Scotia Capital Inc. is directly or indirectly, an affiliate of a bank or other financial institution that is a lender to the NAL Group and to which the NAL Group is presently indebted. Consequently, the Trust may be considered to be a connected issuer of each of these Underwriters under applicable Canadian securities legislation.

As at March 31, 2009, an aggregate of approximately \$304.9 million was outstanding under the credit facility with the syndicate of financial institutions as lenders (the "**Credit Facility**"). The NAL Group has complied with the terms of the agreement governing the Credit Facility and none of the lenders thereunder have waived any breach by the NAL Group of such agreement since its execution. Neither the financial position of the Trust nor the value of the security under the Credit Facility has changed substantially since the indebtedness thereunder was incurred.

The decision to distribute the Trust Units offered hereunder and the determination of the terms of the Offering were made through negotiations among the Trust and the Co-lead Underwriters, on behalf of the Underwriters. The lenders to Ventures Trust did not have any involvement in such decision or determination, but have been advised of the issuance and the terms thereof. As a consequence of the Offering, each of RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., and Scotia Capital Inc. will receive their respective share of the Underwriters' fee.

## INTEREST OF EXPERTS

Certain legal matters relating to the Offering will be passed upon on behalf of the Trust by Bennett Jones LLP and on behalf of the Underwriters by Fraser Milner Casgrain LLP. As at the date hereof, the partners and associates of each of Bennett Jones LLP and Fraser Milner Casgrain LLP, as a group, each owned, directly or indirectly, less than 1% of the outstanding Trust Units.

## CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Bennett Jones LLP, Canadian federal income tax counsel to the Trust, and Fraser Milner Casgrain LLP, Canadian federal income tax counsel to the Underwriters (collectively, "**Canadian Tax Counsel**") the following summary fairly describes the material Canadian federal income tax considerations under the Tax Act to subscribers who acquire Trust Units pursuant to the Offering and who hold such Trust Units as capital property, deal with the Trust at arm's length and are not affiliated with the Trust, all for purposes of the Tax Act. The considerations under the Tax Act will be different for Unitholders who are resident in Canada ("**Canadian Holders**") and those who are not resident in Canada ("**Non-Canadian Holders**") for purposes of the Tax Act.

Generally, Trust Units should be considered capital property to a Unitholder provided the Unitholder does not use or hold such Trust Units in the course of carrying on a business of buying or selling securities and provided the Unitholder does not acquire them in one or more transactions considered to be an adventure or concern in the nature of trade. A Canadian Holder who might not otherwise be considered to hold Trust Units as capital property may, in certain circumstances, be entitled to have those units and all other "Canadian securities" owned by the holder, as that expression is defined in the Tax Act, treated as capital property by making an irrevocable election under subsection 39(4) of the Tax Act. Subscribers considering making the election under subsection 39(4) of the Tax Act should consult their tax advisors.

This summary is not applicable to: (i) a subscriber that is a "financial institution", (ii) a subscriber that is a "specified financial institution", (iii) a subscriber, an interest in which would be a "tax shelter investment", all as defined in the Tax Act, or (iv) a subscriber to which the functional currency reporting rules in subsection 261(4) of the Tax Act apply. Such subscribers should consult their own tax advisors with respect to an investment in Trust Units.

This summary is based upon the facts set out in this Prospectus Supplement and the Prospectus, a certificate as to certain factual matters provided to Canadian Tax Counsel by the Trust, the provisions of the Tax Act and accompanying regulations in force as of the date of this Prospectus Supplement, relevant specific proposals to amend the Tax Act that have been publicly announced by the Minister of Finance (Canada) prior to the date of this Prospectus Supplement ("**Proposed Amendments**") and Canadian Tax Counsel's understanding of the current published administrative and assessing practices and policies of the Canada Revenue Agency ("**CRA**"). This summary is not exhaustive of all possible Canadian federal income tax consequences and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law, whether by legislative, governmental or judicial actions, or changes in the administrative or assessing practice or policies of the CRA. This summary does not take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. No assurances can be given that the Proposed Amendments will be enacted as currently proposed or at all.

Canadian Tax Counsel has been advised in the form of an officer's certificate, and this summary assumes, that the Trust meets all the factual conditions necessary to qualify as a mutual fund trust for the purposes of the Tax Act.

**This summary is of a general nature and is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular subscriber of Trust Units. Prospective subscribers of Trust Units should consult their own tax advisors in respect of the consequences to them of their acquisition, holding and disposition of Trust Units, having regard to their particular circumstances.**

## **Canadian Holders**

This portion of the summary is applicable to holders of Trust Units who, for purposes of the Tax Act, and at all relevant times, are resident in or deemed to be resident in Canada.

### ***Taxation of Trust Unit Distributions to Canadian Holders***

#### Distributions on Trust Units Prior to Application of SIFT Rules

This portion of the summary describes the taxation of distributions on Trust Units prior to the application of the SIFT Rules. For a discussion of how distributions should be taxed after the SIFT Rules commence to apply to the Trust, see below under the heading "Distributions on Trust Units After Application of SIFT Rules".

A Canadian Holder generally will be required to include in computing income for a particular taxation year the portion of the net income of the Trust for a taxation year, including taxable dividends and net realized taxable capital gains, that is paid or payable to the Canadian Holder in that particular taxation year, whether such amount is payable in cash or in kind, including Trust Units. Income of a Canadian Holder from Trust Units should be considered to be income from property for the purposes of the Tax Act. Any loss of the Trust for the purposes of the Tax Act cannot be treated as a loss of a Canadian Holder.

Provided that appropriate designations are made by the Trust, such portions of its net taxable capital gains and taxable dividends as are paid or payable to a Canadian Holder will effectively retain their character and be treated as such in the hands of the Canadian Holder for purposes of the Tax Act. The non-taxable portion of such net realized capital gains of the Trust that is paid or payable to a Canadian Holder in a year will not be included in computing the holder's income for the year and will not reduce the adjusted cost base of the holder's Trust Units. Any other amount in excess of the net income of the Trust that is paid or payable by the Trust to a Canadian Holder in a year is considered a return of capital and generally will not be included in the Canadian Holder's income for the year. However, such amounts, other than proceeds of disposition of a Trust Unit, generally will reduce the adjusted cost base of Trust Units held by such Canadian Holder. If such adjusted cost base becomes a negative amount at any time, that holder will be deemed at that time to have realized a capital gain from the disposition of Trust Units equal to such negative amount, and such adjusted cost base shall immediately thereafter be nil.

Trust Units issued to a Canadian Holder in lieu of a cash distribution will have a cost equal to the fair market value of such units and will be averaged with the adjusted cost base of all other Trust Units held by the Canadian Holder at that time as capital property in order to determine the adjusted cost base of each Trust Unit.

A Canadian Holder that throughout the relevant taxation year is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including taxable capital gains and certain income of the Trust that is required to be included in the holder's income.

#### Distributions on Trust Units After Application of SIFT Rules

Under the SIFT Rules (which are not expected to apply to the Trust until January 1, 2011 provided the Trust does not exceed "normal growth" before then), distributions to Canadian Holders by the Trust of "non-portfolio income" for purposes of the Tax Act (which is expected to comprise all or substantially all of the income of the Trust) would be treated as taxable dividends received from a taxable Canadian corporation. In the case of a Canadian Holder who is an individual, such distributions should qualify for the enhanced gross-up and dividend tax credit applicable to eligible dividends received from taxable Canadian corporations. In the case of a Canadian Holder that is a corporation, such distributions generally should be treated as eligible dividends and be eligible for the inter-corporate dividend deduction in computing taxable income. A Canadian Holder that is a "private corporation" or a "subject corporation" (as defined in the Tax Act) generally should be required to pay a 33 1/3% refundable tax on such distributions under Part IV of the Tax Act to the extent such distributions were deductible in computing its taxable income.

Amounts distributed in excess of the income of the Trust are not affected by the SIFT Rules and will continue to be considered a return of capital and will not be required to be included in income. See the above discussion under the heading "Distributions on Trust Units Prior to Application of SIFT Rules".

### ***Disposition of Trust Units held by Canadian Holders***

Where a Canadian Holder disposes of a Trust Unit, or is deemed to dispose of a Trust Unit, the holder will realize a capital gain (or sustain a capital loss) to the extent the proceeds of disposition for the Trust Unit exceed (or are less than) the aggregate of the adjusted cost base to the holder of the Trust Unit and reasonable disposition costs. The initial cost to a Canadian Holder of a Trust Unit issued hereunder will be equal to the subscription price paid for such Trust Unit. This initial cost will be averaged with the adjusted cost base of all other Trust Units held by that Unitholder as capital property to determine the respective adjusted cost base of each such Trust Unit.

### ***Taxation of Capital Gains and Capital Losses of Canadian Holders***

Under the Tax Act, one half of any capital gain realized by a Canadian Holder and the amount of any taxable capital gains designated by the Trust in respect of a Canadian Holder will be included in such holder's income as a taxable capital gain. Subject to certain specific rules in the Tax Act, one half of any capital loss realized by a Canadian Holder generally is deducted from any taxable capital gains realized by such holder in the year of disposition and any excess may be deducted from taxable capital gains realized in the three preceding taxation years or in any subsequent taxation year.

A Canadian Holder that throughout the relevant taxation year is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including taxable capital gains.

A capital loss realized on the disposition of a Trust Unit by a Canadian Holder that is a corporation or a trust (other than a "mutual fund trust"), whether directly or indirectly or as a member of a partnership, may be reduced in respect of certain distributions to the Canadian Holder out of dividends received by the Trust directly or through a partnership of which it is a member and designated by the Trust in respect of the Canadian Holder to the extent and under the circumstances described in the Tax Act. Canadian Holders to which these rules may apply should consult their own tax advisors.

### ***Minimum Tax***

Capital gains realized on the disposition of capital property such as a Trust Unit may increase a Canadian Holder's liability for minimum tax if such holder is an individual.

### ***Non-Canadian Holders***

This portion of the summary is applicable to holders of Trust Units who, for purposes of the Tax Act, and at all relevant times, are not resident in nor deemed to be resident in Canada.

### ***Taxation of Trust Unit Distributions to Non-Canadian Holders***

Until the SIFT Rules begin to apply to the Trust, all income of the Trust determined in accordance with the Tax Act (except taxable capital gains) paid or credited by the Trust in a taxation year to a Non-Canadian Holder generally will be subject to Canadian withholding tax at a rate of 25%, subject to a reduction in such rate under an applicable tax treaty or convention, whether such income is paid or credited in cash or in Trust Units. The rate of Canadian withholding tax generally is reduced to 15% in respect of amounts that are paid or credited by the Trust to a Non-Canadian Holder that is a resident of the United States for the purposes of the *Canada-United States Income Tax Convention* (1980), as amended (the "**Canada-United States Tax Convention**"). Under the SIFT Rules, commencing January 1, 2011 (provided the Trust does not exceed "normal growth" before then), such distributions should be characterized as taxable dividends and similarly should be subject to Canadian withholding tax at a rate of 25%, unless such rate is reduced under the provisions of an applicable treaty or convention. A Non-Canadian

Holder that is a resident of the United States who is entitled to claim the benefit of the Canada-United States Tax Convention generally will be entitled to have the rate of withholding tax reduced to 15% or nil for certain tax exempt holders.

The portion of any distributions which are not otherwise subject to withholding tax under the Tax Act are, and will be under the SIFT Rules, subject to a 15% Canadian withholding tax. If a subsequent disposition of a Trust Unit results in a capital loss to a Non-Canadian Holder, a refund of the 15% Canadian withholding tax is available in limited circumstances, subject to the filing of a special Canadian tax return.

The Trust is required to maintain a notional "TCP gains balance" (as defined in the Tax Act) to which it must add its capital gains from dispositions after March 22, 2004 of "taxable Canadian property" (as defined in the Tax Act), and from which it must deduct its capital losses from dispositions of such property and the amount of all "TCP gains distributions" (as defined in the Tax Act) made by it in previous taxation years. If the Trust pays an amount to a Non-Canadian Holder, makes a designation to treat that amount as a taxable capital gain of the Non-Canadian Holder, and the total of all such amounts designated by the Trust in a taxation year to Non-Canadian Holders and any partnerships which are not "Canadian partnerships" for the purposes of the Tax Act exceeds 5% of all such designated amounts, such portion of that amount as does not exceed the Non-Canadian Holder's pro rata portion of the Trust's "TCP gains balance" (as defined in the Tax Act) for the taxation year effectively will be subject to the same Canadian withholding tax as described above for distributions of income (other than taxable capital gains).

#### ***Disposition of Trust Units held by Non-Canadian Holders***

A Non-Canadian Holder will be subject to taxation in Canada in respect of a capital gain realized on the disposition of Trust Units only if such units constitute "taxable Canadian property" as defined in the Tax Act at the time of disposition and the Non-Canadian Holder is not afforded relief under an applicable income tax treaty or convention. Trust Units normally should not be "taxable Canadian property" at the time of the disposition provided that: (i) the Non-Canadian Holder, persons with whom the Non-Canadian Holder does not deal at arm's length (within the meaning of the Tax Act), or the Non-Canadian Holder together with such persons, did not own 25% or more of the issued Trust Units at any time during the 60-month period preceding the time of the disposition; (ii) the Trust is a "mutual fund trust" at the time of the disposition; and (iii) Trust Units are not otherwise deemed to be "taxable Canadian property".

A Non-Canadian Holder whose Trust Units constitute "taxable Canadian property" generally will realize a capital gain (or capital loss) on the redemption or disposition of such units equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of: (i) such Non-Canadian Holder's adjusted cost base of its Trust Units so disposed of, determined immediately before the redemption or disposition; and (ii) any reasonable costs of disposition, and generally will be subject to tax under the Tax Act in respect of any such capital gain in the same manner as a Canadian Holder (see above under "*Taxation of Capital Gains and Capital Losses of Canadian Holders*").

#### **Taxation of the Trust**

##### ***Taxation of the Trust Prior to Application of SIFT Rules***

This portion of the summary describes the taxation of the Trust prior to the time it becomes subject to the SIFT Rules.

The Trust is required to include in its income for each taxation year all net realized taxable capital gains, dividends, accrued interest, resource royalties and trust distributions. The Trust generally may deduct in respect of each taxation year an amount not exceeding 20% of the total issue expenses of the Offering and other offerings of its Trust Units or debt obligations (subject to proration for a short taxation year) to the extent that those expenses were not otherwise deductible in a preceding year, and also generally may deduct reasonable management and administration fees incurred by it in the year. The Trust may also deduct up to 10% annually on a declining balance basis of its cumulative Canadian oil and gas property expense ("**COGPE**"), subject to proration for short taxation

years. If the Trust's cumulative COGPE is less than zero at the end of its taxation year, such negative amount must be included in the Trust's income.

To the extent that the Trust has any income for a taxation year after the inclusions and deductions outlined above, the Trust will be permitted to deduct all amounts of income which are paid or become payable by it to Unitholders in the year. An amount will be considered payable to a Unitholder in a taxation year only if it is paid in the year by the Trust, or the Unitholder is entitled in the year to enforce payment of the amount. Canadian Tax Counsel is advised that the Trust intends to deduct, in computing its income, the full amount available for deduction in each year to the extent of its taxable income for the year otherwise determined. As a result of such deductions from income, it is expected that the Trust will not be liable for any material amount of tax under the Tax Act; however no assurances can be given in this regard.

### ***Taxation of the Trust under the SIFT Rules***

The SIFT Rules apply to trusts that are resident in Canada for purposes of the Tax Act, that hold one or more "non-portfolio properties", and the trust units of which are listed on a stock exchange or other public market (a "**SIFT Trust**"). A SIFT Trust effectively is subject to tax on its income from non-portfolio properties and taxable capital gains from dispositions of non-portfolio properties paid, or made payable, to unitholders at a rate comparable to the combined federal and provincial corporate income tax rate.

In general terms, a trust that existed on October 31, 2006 and to which the SIFT Rules otherwise would apply (i.e., the Trust), should not become a SIFT Trust until the earlier of January 1, 2011 or the first day after December 15, 2006 that the trust exceeds "normal growth" determined by reference to guidelines first issued on December 15, 2006 by the Minister of Finance (Canada) and amended on December 4, 2008 (the "**Guidelines**"). The Guidelines provide that a trust should not be considered to exceed "normal growth" if the trust does not issue new equity (including convertible debentures or other equity substitutes) that exceeds the greater of \$50 million per year or certain specified "safe harbour" amounts based on the market capitalization of the trust on October 31, 2006.

Provided that the Trust does not issue new equity (including debt that is convertible into equity) in an amount greater than the "safe-harbour" determined by reference to the market capitalization of the Trust on October 31, 2006, (understood by Canadian Tax Counsel to be approximately \$1.4 billion) the Trust should not be considered to exceed "normal growth" as set forth in the Guidelines. The Trust has advised Canadian Tax Counsel that it has not exceeded the "safe-harbour" amounts and that the offering and issuance of Trust Units under this Prospectus Supplement should not result in the Trust exceeding the "safe-harbour" amounts. No assurances can be provided that the Trust will not otherwise become a SIFT Trust prior to January 1, 2011.

As part of its ongoing strategic planning, the Trust will continue to examine and evaluate its various strategic alternatives, including its ability to reorganize its legal and tax structure to mitigate the expected impact of the SIFT Rules. While no assurances can be provided regarding the strategic alternatives, if any, that may be available, the strategic alternatives considered will recognize that the federal government first released Proposed Amendments to facilitate the conversion of a SIFT Trust to a taxable Canadian corporation without undue tax consequences on July 14, 2008 and were reintroduced with some modifications on February 6, 2009 in Bill C-10 which included certain provisions of the budget tabled in the House of Commons on January 27, 2009 and related fiscal measures. Bill C-10 received Royal Assent on March 12, 2009.

## **RISK FACTORS**

An investment in the Trust Units is subject to certain risks. Investors should carefully review and consider all of the information contained and incorporated by reference in this Prospectus Supplement and the Prospectus, including without limitation, the risks described under the heading "Risk Factors" in the Prospectus and, without limitation, the AIF, MD&A and Q1 MD&A before making an investment decision and consult their own experts where necessary.

### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Canadian Tax Counsel, provided the Trust qualifies as a "mutual fund trust" under the Tax Act, the Trust Units will, at the date of issue, be qualified investments for trusts governed by "registered retirement savings plans", "registered retirement income funds", "registered education savings plans", "tax-free savings accounts" and "deferred profit sharing plans" under the Tax Act and the regulations thereunder.

Notwithstanding the foregoing, if the Trust Units being offered pursuant to this Prospectus Supplement are "prohibited investments" for the purposes of a "tax-free savings account", a holder of the "tax-free savings account" will be subject to a penalty tax as set out in the Tax Act. A "prohibited investment" includes an interest in a trust which does not deal at arm's length with the holder, or an interest in a trust (or a corporation, partnership or trust with which the trust does not deal at arm's length) in which the holder, either alone or together with persons with whom the holder does not deal at arm's length, has a significant interest (within the meaning of the Tax Act). Subscribers are advised to consult their own tax advisors in this regard.

### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province in which the purchaser resides for the particulars of these rights or consult with a legal advisor.

**CERTIFICATE OF THE TRUST**

Dated: May 21, 2009

This short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

**NAL OIL & GAS TRUST  
BY NAL ENERGY INC.  
(as its agent and attorney in fact)**

(signed) "Andrew B. Wiswell"  
President and Chief Executive Officer

(signed) "Keith A. Steeves"  
Vice President, Finance and Chief  
Financial Officer

**ON BEHALF OF THE BOARD OF DIRECTORS OF NAL ENERGY INC.**

(signed) "J. Charles Caty"  
Director

(signed) "Gordon S. Lackenbauer"  
Director

**ON BEHALF OF THE BOARD OF DIRECTORS OF NAL RESOURCES MANAGEMENT LIMITED, AS  
MANAGER OF NAL OIL & GAS TRUST**

(signed) "Irvine J. Koop"  
Director

(signed) "Barry D. Stewart"  
Director

**CERTIFICATE OF THE UNDERWRITERS**

Dated: May 21, 2009

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

**RBC DOMINION SECURITIES  
INC.**

By: (signed) "Rob King"

**BMO NESBITT BURNS INC.**

By: (signed) "Shane C. Fildes"

**CIBC WORLD MARKETS  
INC.**

By: (signed) "Brian D. Heald"

**SCOTIA CAPITAL INC.**

By: (signed) "Craig Langpap"

**TD SECURITIES INC.**

By: (signed) "Alec W. G. Clark"

**CANACCORD CAPITAL  
CORPORATION**

By: (signed) "Karl B. Staddon"

**NATIONAL BANK FINANCIAL  
INC.**

By: (signed) "Bruce Calvin"

**RAYMOND JAMES LTD.**

By: (signed) "Jason Holtby"

**PETERS & CO. LIMITED**

By: (signed) "Cameron E. Plewes"