

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: January 7, 2008

**Subject: Canetic Resources Trust (CNE) Pending Merger With Penn West Energy Trust (PWE)**

On Wednesday, January 9, 2008, the shareholders of Canetic Resources Trust (CNE) will vote to approve the proposed merger with Penn West Energy Trust (PWE). Pursuant to the merger terms each CNE share will be converted into the right to receive 0.515 PWE Trust Units. Cash will **NOT** be paid in lieu of fractional units, instead, units will be rounded to the nearest whole number. **The merger will become effective on a date to be announced.**

*\*\*The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding CNE options will be adjusted as follows:

**EFFECTIVE DATE:** Option changes are expected to become effective on a date to be announced  
**SYMBOL(s):** CNE becomes CJX  
**STRIKE PRICE:** No Change  
**POS/EXERCISE LIMIT:** 500,000 contracts until August 2008 expiration; where the limits revert to 250,000 contracts  
**MULTIPLIER:** 100\*(eg., Premium of 1.00 = \$100)  
**NEW DELIVERABLE:** 1) 52 Penn West Energy Trust Units (PWE)

Canetic Resources Trust (CNE) (Before - Date To Be Announced)					Canetic Resources Trust (CJX) (Beginning - Date To Be Announced) (See New Deliverable Above)				
			Calls	Puts				Calls	Puts
		100 shares CNE							
CNE	JAN	12 1/2	AV	MV	CJX	JAN	12 1/2	AV	MV
CNE	JAN	15	AC	MC	CJX	JAN	15	AC	MC
CNE	JAN	17 1/2	AW	MW	CJX	JAN	17 1/2	AW	MW
CNE	FEB	10	BB	NB	CJX	FEB	10	BB	NB
CNE	FEB	12 1/2	BV	NV	CJX	FEB	12 1/2	BV	NV
CNE	FEB	15	BC	NC	CJX	FEB	15	BC	NC
CNE	FEB	17 1/2	BW	NW	CJX	FEB	17 1/2	BW	NW
CNE	FEB	20	BD	ND	CJX	FEB	20	BD	ND
CNE	MAY	12 1/2	EV	QV	CJX	MAY	12 1/2	EV	QV
CNE	MAY	15	EC	QC	CJX	MAY	15	EC	QC
CNE	MAY	17 1/2	EW	QW	CJX	MAY	17 1/2	EW	QW
CNE	MAY	20	ED	QD	CJX	MAY	20	ED	QD
CNE	AUG	10	HB	TB	CJX	AUG	10	HB	TB
CNE	AUG	12 1/2	HV	TV	CJX	AUG	12 1/2	HV	TV
CNE	AUG	15	HC	TC	CJX	AUG	15	HC	TC

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.