2001 TAX INFORMATION FOR FORMER STARTECH ENERGY INC. ("STARTECH") SHAREHOLDERS REGARDING THE EXCHANGE OF STARTECH SHARES FOR ARC ENERGY TRUST UNITS AND/OR ARC EXCHANGEABLE SHARES AND ROLL-IN CONSIDERATION OF IMPACT ENERGY INC. ("IMPACT")

Capitalized terms not defined in this document have the meaning ascribed to them in the Startech Information Circular and Proxy Statement dated December 20, 2000 (the "Circular"), which is filed on SEDAR (www.sedar.com) under Startech Energy Inc.

As part of the Plan of Arrangement involving Startech, Impact, ARC Energy Trust, ARC Resources Ltd. ("ARC") and the Startech Securityholders, effective January 31, 2001 the former Startech Shareholders exchanged their Startech Shares for ARC Energy Trust units ("Trust units") and/or ARC Exchangeable Shares, as well as certain securities (the "Roll-In Consideration") of Impact, a newly formed company to which Startech transferred certain minor producing oil and gas properties and higher risk exploration properties that did not fit ARCís business model. The purpose of this document is to provide information relevant to the reporting of this transaction for Canadian income tax purposes.

The information contained in this document is general in nature and is intended to be of use only to former Startech Shareholders who are residents of Canada and who held such shares as capital property for purposes of the *Income Tax Act* (Canada). Non-residents of Canada and former Startech Shareholders who may not have held their shares as capital property should not rely in any way upon the information contained in this document, and should consult their own tax advisors respecting the above-described transaction.

Former Startech Shareholders who were Canadian residents and held their shares as capital property should consult their tax advisors to determine the specific tax implications of the above-described transaction in their particular circumstances.

The income tax rules applicable to the above-described transaction and all of the individual circumstances of the former Startech Shareholders are far too complex to be fully described in a document such as this. Therefore, this document does not provide legal or tax advice to any particular former Startech Shareholder.

Disposition of Startech Shares

The exchange by a former Startech Shareholder of Startech Shares for Trust units and/or ARC Exchangeable Shares and a portion of the Roll-In Consideration results in a disposition for Canadian income tax purposes of the former Startech Shareholderís Startech Shares. Accordingly, former Startech Shareholders who did not hold their Startech Shares in Deferred Income Plans will be required to report a capital gain (or capital loss) equal to the amount by which the proceeds of disposition received on the exchange exceeds (or is less than) the adjusted cost base of such Startech Shares.

One-half of any capital gain (a "taxable capital gain") must be reported as income in a former Startech Shareholderís tax return with respect to the tax year in which January 31, 2001 fell. For example, former Startech Shareholders who are individuals will generally speaking report such a gain in their tax return with respect to the 2001 tax year that is due to be filed on or before April 30, 2002. One-half of any capital loss may be deducted from other taxable capital gains realized by a former Startech Shareholder in the tax year described above. To the extent that a former Startech Shareholderís total capital losses for the relevant tax year exceed such shareholderís total capital gains for such year, the excess may be carried back and deducted in any of the three preceding tax years or carried forward and deducted in any subsequent year against net capital gains realized in such years.

The proceeds of disposition are equal to the fair market value of the Startech Shares that were owned on January 31, 2001. Fair market value must be determined on a reasonable basis. There is no specific method prescribed for Canadian income tax purposes to determine fair market value, nor has Canada Customs and Revenue Agency ("CCRA") published a clear administrative position on this point. ARC, for purposes of its Canadian federal and provincial tax filings, valued the Startech Shares at $11.15 per share based on the average trading value of such shares on the Toronto Stock Exchange during a reasonable period of time around the Closing of the transaction.

For those former Startech Shareholders who elected to receive ARC Exchangeable Shares, it is also ARCís view that the Ancillary Rights and Call Rights, as defined in the Circular, had a nominal value. The Ancillary Rights and Call Rights were granted in connection with the issuance of ARC Exchangeable Shares. If the Ancillary Rights and the Call Rights have a nominal value, they are not required to be included in computing any capital gain or loss in connection with the disposition of Startech Shares.

It is in the best interest of both ARC and the former Startech Shareholders as a group that they use a consistent value for reporting the disposition of the Startech Shares. However, ARC cannot assure the former Startech Shareholders that CCRA or any other party will accept the valuation methodology used by ARC, which ARC believes to be reasonable. Therefore, ARC will not accept responsibility for the consequences that may be caused by any use of these values.

A former Startech Shareholder who elected to receive ARC Exchangeable Shares and filed a joint tax election with CCRA to defer all or a portion of the capital gain on the exchange will have proceeds of disposition different from the amount described above. Such shareholders should refer to their tax elections and the related tax election filing instructions to determine their proceeds of disposition of such shares.

The adjusted cost base of Startech Shares will generally be the amount that the former Startech Shareholder paid to acquire such shares, plus any costs associated with the purchase, such as brokerage commissions.

The following example illustrates the capital gain to be reported by a former Startech Shareholder who owned 1,000 Startech Shares that were originally purchased at a price of $7.00 per share, including commissions:

Proceeds of disposition (1,000 shares x $11.15)	$ 11,150.00
Adjusted cost base (1,000 shares x $7.00)	(7,000.00)
Capital gain	$ 4,150.00
Taxable capital gain (50% of capital gain)	$ 2,075.00

Acquisition of Roll-In Consideration and Common Shares of Impact Energy Inc.

As a result of the Plan of Arrangement, former Startech Shareholders received one Impact common share for each Startech Share they held. However, in order to satisfy the Plan of Arrangementís technical requirements, a preliminary step was required in which the former Startech Shareholders received the Roll-In Consideration in partial exchange for their Startech Shares. They then immediately exchanged their Roll-In Consideration for Impact common shares. The Roll-In Consideration consisted of Impact Preferred Shares, called "Roll-In Preferred Share Consideration" and an Impact promissory note referred to as "Roll-In Debt Consideration". Both the exchange of Startech Shares for Trust units and/or ARC Exchangeable Shares and the Roll-In Consideration, and the exchange of the Roll-In Consideration for Impact common shares are required to be reported for income tax purposes. The disposition of the Startech Shares is dealt with above. And while the exchange of the Roll-In Consideration for Impact common shares is required to be reported, it does not create a capital gain or loss for the reasons set out below.

ARC determined the fair market value of the Roll-In Consideration as at January 31, 2001 on a basis similar to that in which the fair market value of the Startech Shares was determined, as previously described. The determination and use of this value is subject to the same cautions and caveats set out above respecting the fair market value of the Startech Shares and the Ancillary Rights. ARC determined the fair market value of the Roll-In Consideration to be $7,500,001, of which $7,500,000 was allocated to the Roll-In Debt Consideration and $1 to the Roll-In Preferred Share Consideration.

As noted above, the Roll-In Consideration was part of what the former Startech Shareholders received in exchange for their Startech Shares, and that exchange resulted in taxable gains or losses to the former Startech Shareholders. Therefore, the adjusted cost base for income tax purposes of the Roll-In Consideration to the former Startech Shareholders was equal to its fair market value at the time it was acquired, that is, $7,500,001 in the aggregate. The former Startech Shareholders immediately exchanged the Roll-In Consideration for Impact common shares. Therefore, the Roll-In Considerationís proceeds of disposition were also equal to its fair market value at the time of acquisition, and there should be no taxable gain or loss on that exchange.

The following example illustrates the calculation of the adjusted cost base and the proceeds of disposition of the Roll-In Debt Consideration and Roll-In Preferred Share Consideration for a former Startech Shareholder who owned 1,000 Startech Shares of the total 31,226,915 of such shares outstanding at January 31, 2001:

Disposition of Pro-Rata Share of Promissory Note of Impact	
Proceeds of disposition (1,000 shares / 31,226,915 x $7,500,000)	$240.18
Adjusted cost base (1,000 shares / 31,226,915 x $7,500,000)	(240.18)
Capital gain (loss)	$ -

Disposition of Pro-Rata Share of 100 Preferred Shares of Impact	
Proceeds of disposition (1,000 shares / 31,226,915 x $1.00)	$ 0.00003
Adjusted cost base (1,000 shares / 31,226,915 x $1.00)	(0.00003)
Capital gain (loss)	$ -
Given that the proceeds of disposition and the adjusted cost base of the pro-rata portion of the Preferred Shares are nominal, CCRA will accept nil for these amounts.	

The adjusted cost base of the Impact common shares as at January 31, 2001 is equal to the proceeds of disposition of the pro-rata share of the Roll-In Consideration, which is approximately $0.24 per share. The following example illustrates the calculation of a former Startech Shareholderís adjusted cost base of the Impact shares:

Proceeds of disposition ñ Pro-rata portion of Promissory Note	$ 240.18
Proceeds of disposition ñ Pro-rata portion of 100 Preferred Shares	0.00
Total equals adjusted cost base of Impact shares	$ 240.18

Divided by the number of Impact common shares received	1,000
Adjusted cost base per Impact common share as at January 31, 2001	$ 0.24018

The above calculation of the adjusted cost base of the Impact common shares is dependant on ARCís estimate of the fair market value of the Roll-In Consideration, and as such is subject to the cautions and caveats set out above respecting that fair market value.

Acquisition of ARC Energy Trust Units/ARC Exchangeable Shares

Under the Plan of Arrangement, former Startech Shareholders received 0.96 of a Trust unit or 0.96 of an ARC Exchangeable Share for each Startech Share they owned. The adjusted cost base to a former Startech Shareholder of the Trust units and/or ARC Exchangeable Shares received on the exchange at January 31, 2001 for 1,000 Startech Shares was (subject to the cautions and caveats set out above respecting the determination of fair market values) approximately $11.36 per unit/share, as illustrated by the following example:

Total value of Startech Shares exchanged	
(1,000 shares x $11.15 per share)	$ 11,150.00
Less value and adjusted cost base assigned to	
Impact common shares (1,000 shares x $0.24018 per share)	$ (240.18)

Adjusted cost base assigned to Trust units and/or	
ARC Exchangeable Shares	$ 10,909.82
Divided by the number of Trust units and/or	
ARC Exchangeable Shares (1,000 Startech Shares x 0.96)	960
Adjusted cost base per Trust unit and/or	
ARC Exchangeable Shares	$ 11.3644

A former Startech Shareholder who elected to receive ARC Exchangeable Shares and filed a joint tax election with CCRA to defer all or a portion of the capital gain on the exchange will have a different adjusted cost base for the ARC Exchangeable Shares than that calculated above. Such shareholders should refer to their tax elections and the related tax election filing instructions to determine their adjusted cost base of such shares.

A former Startech shareholder who held Trust units prior to the Plan of Arrangement will be required to average the adjusted cost base of such units with the adjusted cost base of the Trust units acquired under the Plan of Arrangement to determine the average adjusted cost base of each unit.

The non-taxable portion of the monthly distributions received from the ARC Energy Trust, which is referred to as a return of capital, reduces the adjusted cost base of the Trust units. In 2001, 32% of the distributions received from the Trust will reduce the adjusted cost base of the Trust units.

Additional Information

Taxable Portion of Distributions

Former Startech Shareholders who did not hold their Trust units received on the exchange in Deferred Income Plans will receive a T3 slip from their investment advisors on or before March 31, 2002. The total amount reported in Box 26 of the T3 slip will include 68% of the total distributions received from the ARC Energy Trust in 2001 for inclusion in 2001 tax returns.

Paid-Up Capital of Impact Common Shares

The paid-up capital for tax purposes of the Impact common shares, in aggregate, is equal to the sum of the value of the Roll-In Debt Consideration ($7,500,000) and the amount of the cash proceeds raised on the incorporation of Impact ($1). Accordingly, this equates to approximately $0.24 of paid-up capital per Impact common share at January 31, 2001.

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