

PRESS RELEASE

AVENIR DIVERSIFIED INCOME TRUST ANNOUNCES COMPLETION OF ACQUISITION OF NATURAL GAS LIQUIDS BROKER AND WHOLESALER

Calgary, Alberta, Canada, April 4, 2005 – Avenir Diversified Income Trust (the "Trust") (TSX: AVF.UN) is pleased to announce that Elbow River Marketing Limited Partnership, an indirect wholly-owned subsidiary of the Trust has purchased all the assets and business of Elbow River Resources Ltd. ("Elbow River") for consideration of \$57,800,000 consisting of \$51,800,000 in cash and \$6,000,000 in trust units (a portion of which trust units are subject to certain escrow release terms relating to both performance and retention criteria), subject to normal course purchase adjustments. CIBC World Markets Inc. acted as financial advisor to Elbow River for the transaction.

Elbow River, established in 1984, acts as wholesale marketer, transporter and supplier of butane to major refineries and propane to major retailers in the United States, Canada and Mexico. Other commodity areas that Elbow River services are ethanol, natural gasoline, diesel and methanol. Elbow River is considered to be one of the largest wholesale marketer in Canada and the United States in providing brokerage, marketing, logistics, transportation, storage and risk management services to the natural gas liquids market. Elbow River currently transacts with approximately 160 customers and suppliers. All key employees of Elbow River will remain with the Trust on an ongoing basis to continue to manage and expand this brokerage business. The acquisition of Elbow River's business expands the Trust's Financial Services business unit, complements the Trust's diversification strategy and is accretive to the Trust's cash flow. The transaction was funded with a portion of the proceeds of the recently closed \$126,500,000 equity financing.

The Trust is a diversified royalty and business trust which combines the cash flow streams from the three business segments of Energy, Financial Services and Real Estate with a target payout ratio of 75 – 80% in order to provide sustainable distributions.

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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Forward Looking Statements

Certain information regarding Avenir Diversified Income Trust set forth in this document, including management's assessment of the Trust's future plans and operations contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward looking statements are

subject to numerous risks and uncertainties, some of which are beyond the Trust's and management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, imperfection of reserve estimates, environmental risks, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. The Trust's actual results, performance or achievement could differ materially from those expressed in or implied by, these forward looking statements and accordingly, no assurance can be given that any of the events anticipated to occur or transpire from the forward looking statements will provide what, if any benefits to the Trust.