

## Avenir Diversified Income Trust 2007 Income Tax Information

Calgary, Alberta – February 28, 2008

### FOR IMMEDIATE RELEASE

Avenir Diversified Income Trust ("Avenir Trust" or the "Trust" TSX: AVF.UN) today provides 2007 Tax information.

The information contained herein is based on Avenir Trust's understanding of the respective income tax regulations in Canada and the United States ("U.S.") and is provided for general information purposes only. Unitholders should consult their tax advisors with respect to their particular circumstances.

### Monthly Distributions:

Record Date	Payable Date	Distribution Amount/Unit	Return of Capital	Taxable Portion
December 30, 2006	January 15, 2007	\$0.083	\$0.00	\$0.083
January 31, 2007	February 15, 2007	\$0.083	\$0.00	\$0.083
February 28, 2007	March 15, 2007	\$0.083	\$0.00	\$0.083
March 31, 2007	April 16, 2007	\$0.083	\$0.00	\$0.083
April 28, 2007	May 15, 2007	\$0.083	\$0.00	\$0.083
May 31, 2007	June 15, 2007	\$0.083	\$0.00	\$0.083
June 30, 2007	July 16, 2007	\$0.083	\$0.00	\$0.083
July 31, 2007	August 15, 2007	\$0.083	\$0.00	\$0.083
August 31, 2007	September 17, 2007	\$0.083	\$0.00	\$0.083
September 29, 2007	October 15, 2007	\$0.083	\$0.00	\$0.083
October 31, 2007	November 15, 2007	\$0.083	\$0.00	\$0.083
November 30, 2007	December 17, 2007	\$0.083	\$0.00	\$0.083
<b>Total declared</b>		<b>\$0.996</b>	<b>\$0.00</b>	<b>\$0.996</b>

The regular monthly calculations have been completed on a cash basis, and therefore include the distributions declared by the Avenir Trust in December 2006 payable January 15, 2007, up to and including the November 2007 distribution payable December 17, 2007. Total 'regular' monthly distributions declared for this period totalled \$0.996 per unit.

### 2007 Canadian Unitholder Tax Information

*Avenir Trust has determined that for Canadian unitholders, regular monthly distributions paid in 2007 are to be 100% taxable with no tax deferred return of capital (ROC).*

Canadian unitholders holding their Avenir Trust investment in a Registered Retirement Savings Plan, Registered Retirement Income Fund or Deferred Profit Savings Plan should not report any income related to distributions on their 2007 income tax return. Unitholders holding their units outside such plans will receive a T3 Supplementary Information slip (T3), directly from their brokerage firm or intermediary, not from the transfer agent or Trust. Avenir Trust's Canadian registered unitholders who received cash



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distributions during the period from the transfer agent, Olympia Trust Company of Canada, will receive “T3 Supplementary” slips directly from Olympia Trust Company of Canada (and not from a brokerage firm or intermediary). While Olympia Trust Company of Canada will strive to issue these information slips as soon as possible, the deadline for mailing all T3 Supplementary Information slips as required by Canada Revenue Agency is March 31, 2008.

Unitholders are to report the taxable portion of distributions as “**other income**” on their 2007 income tax return.

**2007 U.S. Unitholder Tax Information**

In consultation with the Trust’s U.S. tax advisors, Avenir Trust believes for US Federal income tax purposes, that the units of Avenir Trust more likely than not will be properly classified as equity in a corporation, rather than debt, and that dividends paid to its individual US unitholders will more likely than not be qualified dividends. As such, the portion of the distributions made during 2007 that are considered dividends should qualify for the reduced rate of tax applicable to certain capital gains.

The portion of the trust distributions that is considered a dividend for US Federal income tax purposes is determined based upon the greater of Avenir Trust’s current or accumulated earnings & profits (“E&P”) as determined in accordance with US Federal income tax principles.

*Therefore, with respect to cash distributions paid in 2007 to US individual unitholders, we believe that 100% should be reported as “qualified dividends” and 0% should be reported as return of capital.*

Avenir has not received an IRS letter ruling or a formal tax opinion from its tax advisors on these matters. U.S. unitholders should consult with their individual tax advisors.

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Avenir Trust is an income trust designed to provide sustainable distributions and growth from a diverse portfolio of operating assets in the sectors of energy, financial services and real estate. The resulting cash flow from these assets is distributed to unit holders on a monthly basis. The trust units of Avenir Trust trade on the TSX under the symbol AVF.UN. For further information on the Trust please go to our website at: [www.avenirtrust.com](http://www.avenirtrust.com).

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



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*This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The securities offered 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 in the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.*

**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.