

AVENIR DIVERSIFIED INCOME TRUST

For Immediate Release: July 21, 2004

AVENIR DIVERSIFIED INCOME TRUST ANNOUNCES JULY DISTRIBUTION

Calgary, Alberta – Avenir Diversified Income Trust (the "Trust") (TSXV: AVF.UN) is pleased to announce its July 2004 distribution. The cash distribution will be \$0.0875 per Trust Unit, which is consistent with the previous monthly distribution. The distribution will be paid on August 16, 2004, to unitholders of record on July 30, 2004. The ex-distribution date is July 28, 2004.

For further information please contact:

Avenir Diversified Income Trust
Suite 300, 808 – 1st Street S.W.
Calgary, Alberta
T2P 1M9

Attention: William Gallacher
Chief Executive Officer

or

Gary Dundas
Chief Financial Officer

Telephone: (403) 237-9949

Facsimile: (403) 237-0903

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

Forward-Looking Statements: *Certain information set forth in this press release, including a discussion of 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 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, 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. Actual results, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements.*