

## PRESS RELEASE

### AVENIR DIVERSIFIED INCOME TRUST ANNOUNCES SUCCESSFUL ACQUISITION OF VAL VISTA ENERGY LTD.

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*Calgary, Alberta, Canada*, March 28, 2005 – Avenir Diversified Income Trust ("Trust") (TSX – AVF.UN) and Val Vista Energy Ltd. ("Val Vista") (TSXV-VVR) are pleased to jointly announce that approximately 15,664,269 million common shares ("Val Vista Shares") of Val Vista, representing approximately 91.38% of the issued and outstanding Val Vista Shares, on a fully diluted basis, have been tendered to the offer dated February 15, 2005 (the "Offer"), made through Avenir Operating Corp. ("Avenir"), to purchase all of the issued and outstanding Val Vista Shares. Avenir is proceeding to take up and pay for all of the Val Vista Shares deposited under the Offer. Avenir is also proceeding to acquire all of the remaining outstanding Val Vista Shares pursuant to the compulsory acquisition provisions of the *Business Corporations Act* (Alberta). The notice of compulsory acquisition will be mailed upon Avenir taking up and paying for the Val Vista Shares tendered under the Offer, which is expected to occur on Tuesday, March 29, 2005. The Val Vista Shares will be de-listed from the TSXV upon the completion of the compulsory acquisition of Val Vista Shares not tendered under the Offer.

The total value of the Offer for Val Vista is approximately \$29.6 million, including the assumption of \$6.2 million in net debt and assuming proceeds from the exercise of outstanding options and costs of the offer.

The transaction adds approximately 700 boe per day (80% natural gas and 20% light oil), with an additional 50 to 80 boe per day to be placed on stream after break-up, to Avenir's Southern and Central Alberta core areas. Reserves are estimated to be 1.7 million boe on a proved plus probable basis. In addition, Avenir has identified numerous low risk development opportunities which should add approximately 250 to 300 boe per day in the medium term and should provide additional growth through farm-out opportunities. The acquisition equates to production and reserve valuations of approximately \$35,000 per producing boe and \$16.00 per proved plus probable reserves, after deducting \$2.4 million in undeveloped land and seismic value.

Following the acquisition, Avenir's oil and gas production will be an estimated 3,600 boe per day. The transaction is accretive to Avenir Trust's cashflow and its oil and gas production base.

The Trust is also pleased to announce the addition of two key individuals in the Trust's energy business unit. Mr. Grant Leslie P. Eng. joins the Trust as Vice President Operations for the Energy business unit. Mr Leslie has over 10 years of experience in the oil and gas industry, most recently as Vice President of the British Columbia business unit for a large U.S. based energy corporation, with extensive experience in all facets of oil and gas operations. Ms. Debbie Carter joins the Trust as Controller of the Energy business unit. Ms Carter has 20 years of experience in oil and gas accounting, most recently as Manager, Accounting for a Calgary based energy income trust.

Avenir Trust is a diversified royalty and business trust which combines the cashflow streams from the three business segments of Energy, Financial Services and Real Estate.

Val Vista is a Calgary based company engaged in the exploration for, and the development, production and acquisition of, natural gas and petroleum interests primarily in central and southern Alberta.

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*The Toronto Stock Exchange and the TSX Venture Exchange have not reviewed and do not accept responsibility for the adequacy or accuracy of this release.*

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### **Forward Looking Statements**

Certain information regarding Avenir 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.