AVENIR DIVERSIFIED INCOME TRUST

NEWS RELEASE **July 15, 2004**

Avenir Diversified Income Trust Acquires Additional Production

Calgary, Alberta, - Avenir Diversified Income Trust ("Avenir" or the "Trust") (TSXV: AVF.UN) is pleased to announce that it has successfully completed two oil and gas property acquisitions in two of its core areas, Northeast Alberta and Southern Alberta. The acquisitions total approximately 340 boe per day, comprising of an estimated 1,680 mcf per day of natural gas and 60 boe per day of light oil. The $10.2 million acquisitions (plus related costs and fees), were funded by the proceeds of Avenir's recently completed equity offering. This brings Avenir's current production in its energy business unit to approximately 970 boe per day.

Total reserves for the property purchase based on internal evaluations, is 699 Mboe of total proved producing reserves and 1,005 Mboe of total proved plus probable reserves. The reserve life index for these properties, based on a proved plus probable reserve estimate is 8.0 years. The acquisition equates to an approximate $30,000 per producing boe, based on current production levels.

The Trust is an income trust established to provide sustainable distributions and growth from a diverse portfolio of operating assets in the energy, financial services and real estate sectors.

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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 regarding Avenir Diversified Income Trust ("Avenir") set forth in this document, including management's assessment of Avenir'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 Avenir'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. Avenir'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 Avenir.