



**(TSX: BNP.UN)  
FOR IMMEDIATE RELEASE  
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## **NEWS RELEASE**

### **Bonavista Energy Trust Announces Strategic Property Acquisition and Bought Deal Financing**

CALGARY, ALBERTA – Bonavista Energy Trust (“Bonavista”) is pleased to announce that it has entered into an agreement to acquire certain long-life natural gas weighted properties (the “Acquired Properties”) located adjacent to its Whitecourt property in west central Alberta. The acquisition has an effective date of January 1, 2010 and is expected to close on or about May 31, 2010 for a cash purchase price, at closing, of approximately \$228 million. The completion of the transaction is subject to customary regulatory approvals and other conditions.

#### **Transaction Highlights**

The acquisition is consistent with Bonavista's strategy of acquiring high quality, long reserve life assets with significant low risk development potential. The Acquired Properties provide a stable foundation of production and infrastructure, complementing our deep basin land position in west central Alberta. In addition, the Acquired Properties offer an opportunity for Bonavista to expand our application of leading technologies to access underdeveloped reservoirs, much like we have done over the past year in our Western Core Region. The area is characterized as a highly prolific multi-zone area with exposure to formations such as the Bluesky, Notikewan, Wilrich, Rock Creek, Cardium, Dunvegan, Viking, Gething, Cadomin, Nordegg, Montney, and Elkton. The undercapitalized nature of the Acquired Properties has led to the identification of approximately 50 high impact horizontal drilling locations offering the potential to significantly enhance the production and resource recovery. The Acquired Properties are situated on approximately 50,000 net acres of contiguous land and include operatorship of an extensive gathering, compression and processing infrastructure with significant unutilized capacity offering an opportunity to add future production in a timely and cost effective manner. In addition, the acquisition provides the following benefits to unitholders:

- Increases Bonavista's current production by 6% to approximately 67,000 boe per day (63% natural gas weighted);
- Increases Bonavista's total proved plus probable company interest reserves by 8% to 294.9 million boe, effective January 1, 2010;
- Adds 50,000 net acres of land to complement Bonavista's extensive land base of 3.0 million net acres. The Acquired Properties include an attractive seismic position overlaying these lands comprised of approximately 2,800 miles of 2D and 80 square miles of 3D data. Bonavista has ascribed a value of \$19 million to the land and seismic assets;
- 72% of the production is operated with attractive operating costs of approximately \$6.00 per boe;

- Control of strategic infrastructure including operatorship of two processing facilities, one having 60 mmcf per day of unutilized sour natural gas processing capacity;
- Acquisition metrics of approximately \$54,700 per flowing boe and \$14.50 per boe proved plus probable, including future development capital and adjusting for land and seismic value;
- Significant development opportunities on the Acquired Properties, providing Bonavista with the ability to continue its strategy of adding low cost production and reserves through internal development and optimization; and
- A strong foundation in a highly prospective area of the deep basin where a significant accumulation of resources are deposited within multiple horizons offering a unique opportunity to cost-effectively enhance recovery of these resources utilizing currently technology.

## Acquired Properties

The Acquired Properties are currently producing approximately 3,950 boe per day, including 20.5 mmcf per day of natural gas and 540 bbls per day of oil and associated natural gas liquids. The following table outlines the forecasted company interest reserves for the Acquired Properties, effective January 1, 2010:

	<u>Natural gas</u>	<u>Oil and natural gas liquids</u>	<u>Total BOE</u>	<u>10% NPV<sup>(1)</sup></u>
	(Bcf)	(mbbls)	(mboe)	(\$ millions)
Total proved	82.6	2,352	16,111	232.6
Total proved plus probable	114.3	3,224	22,279	298.8

Notes:

(1) Estimated net present values do not represent fair market value.

(2) Company interest reserves are working interest reserves prior to the deduction of royalties and include royalty interests.

The Acquired Properties were evaluated based on Bonavista's internal engineering report in accordance with NI 51-101, using strip prices effective March 16, 2010.

## Financing

The cash to close the acquisition of approximately \$228 million will be funded through a combination of bank debt and an issuance of trust units ("Trust Units"). In conjunction with the acquisition, Bonavista has entered into an agreement to sell, on a bought deal basis, 7.5 million Trust Units at a price of \$23.60 per Trust Unit for gross proceeds of approximately \$177 million (the "Offering") to a syndicate of underwriters co-led by CIBC World Markets Inc. and TD Securities Inc. and including BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., Scotia Capital Inc., National Bank Financial Inc., FirstEnergy Capital Corp., Macquarie Capital Markets Canada Ltd., Peters & Co. Limited and HSBC Securities (Canada) Inc.

Completion of the Offering is subject to certain conditions including normal regulatory and stock exchange approvals. The Trust Units will be offered in all provinces of Canada, except Quebec, by way of a short form prospectus. The closing of the Offering is expected to occur on or about April 15, 2010.

CIBC World Markets Inc. acted as an advisor with respect to financial matters.

## Outlook

The substantial inventory of low cost drilling opportunities on the Acquired Properties, combined with Bonavista's current large inventory will ensure a smooth transition into a "hybrid" model where we will provide stakeholders a combination of growth and income. We are very pleased to be able to acquire such a high quality property and look forward to executing our capital program over the next several years to continue delivering exceptional long term value to our unitholders.

Bonavista Energy Trust is a mid-sized energy trust created through the reorganization of Bonavista Petroleum Ltd. on July 2, 2003. Bonavista Energy Trust is committed to maintaining its emphasis on operating high quality oil and natural gas properties, providing moderate growth and delivering consistent distributions to its unitholders while ensuring financial strength and sustainability. Bonavista's trust units trade on the Toronto Stock Exchange under the symbol BNP.UN.

Please visit our website at [www.bonavistaenergy.com](http://www.bonavistaenergy.com) for detailed corporate information.

**FOR FURTHER INFORMATION CONTACT:**

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## **Advisory Regarding Forward-Looking Information and Statements**

*This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements or information.*

*More particularly and without limitation, this press release contains forward looking statements and information concerning: closing of the Offering and the acquisition and the expected timing of such closings; the estimated closing purchase price of the acquisition; estimated production and reserves and anticipated increases in production and reserves; development and drilling programs, plans and opportunities; expected finding and development costs and on-stream costs; the payment of future distributions and the timing thereof; future development and growth opportunities; Bonavista's capital program; reserves life; the anticipated benefits of the acquisition including increased long-term stability, operating efficiencies and capital market access; and plans to transition into future business model.*

*The forward-looking statements and information in this press release are based on certain key expectations and assumptions made by Bonavista, including completion of the acquisition and the Offering on the timing planned; prevailing commodity prices and exchange rates; applicable royalty rates and tax laws; future well production rates; reserve and resource volumes; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour and services; and the receipt, in a timely manner of regulatory, stock exchange and other required approvals. Although Bonavista believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Bonavista can give no assurance that they will prove to be correct. There is no certainty that Bonavista will achieve commercially viable production from its undeveloped lands and prospects.*

*Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to the risks associated with the failure to obtain the necessary regulatory, stock exchange and other regulatory approvals and on the timelines it has planned, the risk that some other condition to the closing of the Offering or the acquisition is not satisfied; the oil and gas industry in general such as: operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; marketing and transportation or petroleum and natural gas and loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; ability to access sufficient capital from internal and external sources; stock market volatility; and changes in legislation, including but not limited to tax laws, royalty rates and environmental regulations.*

*Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Bonavista are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)).*

*The forward-looking statements and information contained in this press release are made as of the date hereof and Bonavista undertake no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

### **Boe Advisory**

*The term "boe" or barrels of oil equivalent may be misleading, particularly if used in isolation. A Boe conversion ratio of six thousand cubic feet per barrel (6 Mcf: 1 Bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*