



(TSX: BNP)
FOR IMMEDIATE RELEASE
May 16, 2011
N E W S R E L E A S E

Bonavista Energy Corporation Confirms Dividend for June 15, 2011

Calgary – Bonavista Energy Corporation (“Bonavista”) confirms that its monthly cash dividend generated from May production will be \$0.12 per common share and payable on June 15, 2011. Our objective is to set a prudent dividend policy that provides an attractive cash return to our shareholders, while reinvesting the remainder of our funds from operations to modestly grow our production and equity value. This in turn, should strengthen our asset base, while allowing for consistent or modestly increasing dividend levels in the future. Our dividend policy is reviewed monthly and is based on a number of factors including current and future commodity prices, foreign exchange rates, our commodity hedging program, current operations and future investment opportunities. We will continue to carefully monitor the impact of all these issues and adjust our monthly dividend and capital programs as conditions dictate.

Bonavista has declared this dividend to be paid on June 15, 2011 to common shareholders of record on May 31, 2011 with an ex-dividend date of May 27, 2011.

Forward Looking Statements

Corporate information provided herein contains forward-looking information. The reader is cautioned that assumptions used in the preparation of such information, particularly those pertaining to cash dividends, production volumes, commodity prices, operating costs and drilling results, which are considered reasonable by Bonavista at the time of preparation, may be proven to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein and the variations may be material. There is no representation by Bonavista that actual results achieved during the forecast period will be the same in whole or in part as those forecasts.

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