



**BONAVISTA ENERGY CORPORATION ANNOUNCES ADOPTION OF A
DIVIDEND REINVESTMENT PLAN**

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Calgary, Alberta - (December 13, 2011) (TSX - BNP) Bonavista Energy Corporation ("Bonavista") announces that it has adopted a Dividend Reinvestment Plan (the "DRIP"). Eligible shareholders may elect to participate in the DRIP commencing with dividends to be paid on January 16, 2012 to shareholders on record as of December 31, 2011.

The DRIP allows eligible shareholders of Bonavista to reinvest their cash dividends into additional Common Shares of Bonavista, which when issued from treasury will be issued at 95 percent of the Average Market Price (as defined in the DRIP) on the applicable dividend payment date.

While it is currently the intention of Bonavista to issue the required additional Common Shares through treasury, Bonavista may, from time to time, in its discretion, direct that such Common Shares be purchased through the facilities of the Toronto Stock Exchange at prevailing market prices. Bonavista reserves the right to limit the amount of new equity available under the DRIP on any particular dividend date. Accordingly, participation may be prorated in certain circumstances in which case participant shareholders will receive from Bonavista the regular cash dividends to which they would otherwise be entitled on such date and which are not reinvested as a result of such proration.

A registered shareholder who wishes to enroll in the DRIP for a dividend to be paid by Bonavista must deliver a completed Authorization Form to Valiant Trust Company (the "Plan Agent"), before 3:00 p.m. (Calgary time) on the business day prior to the record date for such dividend. Beneficial shareholders who wish to participate in the DRIP should contact the broker or other Nominee through which their Common Shares are held to provide appropriate enrolment instructions and to ensure any deadlines or other requirements that such broker or Nominee may impose or be subject to are met. Authorization Forms for both registered and beneficial shareholders received after the applicable enrolment deadline will be accepted but only effective for subsequent dividends.

