



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

Bonavista Energy Trust Announces Third Quarter Distributions

Calgary – Bonavista Energy Trust (“Bonavista”) announces today that its Board of Directors has approved the current distribution policy at \$0.16 per unit for the third quarter of 2010. We will continue to carefully monitor the impact of all issues affecting our business and, adjust our monthly distributions and our capital programs as conditions evolve. For 2010, our objective is to set a distribution policy at prudent levels of up to 50% of funds from operations while withholding sufficient funds to finance capital expenditures required to modestly grow our current production base. This in turn, should provide a stronger base of cash flow for future sustainable distributions. Our distribution 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, our current operations and future investment opportunities. Bonavista has declared this distribution to be paid on August 16, 2010 for unitholders of record on July 31, 2010 with an ex-distribution date of July 28, 2010.

| <u>Record Date</u> | <u>Ex-Distribution Date</u> | <u>Distribution Date</u> | <u>Distribution per Unit</u> |
|--------------------|-----------------------------|--------------------------|------------------------------|
| July 31, 2010 | July 28, 2010 | August 16, 2010 | \$0.16 |
| August 31, 2010 | August 27, 2010 | September 15, 2010 | \$0.16 (*) |
| September 30, 2010 | September 28, 2010 | October 15, 2010 | \$0.16 (*) |

(*) The above reflects an anticipated distribution based on Bonavista’s current projected commodity prices, commodity hedge positions and production volumes. Distributions are subject to change should there be a material change in expected cash flow for the respective periods.

Currently, Bonavista has 133,425,981 million trust units and 9,389,502 million exchangeable shares outstanding. The exchangeable shares are convertible into 21,641,018 million trust units based on the current exchange ratio, which is adjusted monthly to reflect the distributions paid on the trust units. Cash distributions are not paid on the exchangeable shares, nor are the exchangeable shares publicly traded.

Bonavista is focused on a balanced commodity approach and is committed to maintaining its emphasis on operating high quality oil and natural gas properties, delivering consistent distributions to unitholders and ensuring financial strength and sustainability.

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 distributions, 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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