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N E W S R E L E A S E

Bonavista Energy Trust 2007 Income Tax Information

Bonavista Energy Trust 2007 Canadian Income Tax Information

CALGARY – Bonavista Energy Trust ("Bonavista") announces that the distributions of $3.60 per trust unit paid or payable to its unitholders for the year ended December 31, 2007, are 100% taxable as "Other Income" in accordance with the table set out below:

Record Date	Distributions ($/trust unit)	Taxable Amount (Other Income) ($/trust unit)	Tax Deferred Amount (Reduction of ACB) ($/trust unit)
January 31, 2007	$ 0.30	$ 0.30	$ -
February 28, 2007	0.30	0.30	-
March 31, 2007	0.30	0.30	-
April 30, 2007	0.30	0.30	-
May 31, 2007	0.30	0.30	-
June 30, 2007	0.30	0.30	-
July 31, 2007	0.30	0.30	-
August 31, 2007	0.30	0.30	-
September 30, 2007	0.30	0.30	-
October 31, 2007	0.30	0.30	-
November 30, 2007	0.30	0.30	-
December 31, 2007	0.30	0.30	-
Total	$ 3.60	$ 3.60	$ -

The following information is provided to assist Bonavista unitholders ("Unitholders") in the preparation of their 2007 Income Tax Return and is not to be considered income tax advice to any particular individual but rather, general information.

Bonavista Trust Units ("Trust Units") held outside of a Registered Plan

Canadian Unitholders who receive distributions for the year ended December 31, 2007 outside of an RRSP, RRIF, DPSP or RESP will receive a T3 Supplementary Slip from their investment advisor or other intermediary. Canadian registered Unitholders who hold their Trust Units outside of a registered plan will receive a T3 Supplementary Slip from Valiant Trust Company.

Unitholders must report the taxable portion of 2007 distributions in Box 26 of their T3 Supplementary Slip as “Other Income” on their 2007 T1 Income Tax Return.

For the remaining tax-deferred portion, if any, Unitholders are required to reduce the adjusted cost base (“ACB”) of their Trust Units. Since the return of capital for 2007 is nil, there should be no effect on ACB. Unitholders should maintain a record of all distributions that are classified as partially or entirely a tax-deferred distribution while holding Trust Units.

The deadline for mailing all T3 Supplementary Information Slips to Unitholders as required by the Canada Revenue Agency is March 31, 2008.

Bonavista Trust Units held within a Registered Plan

Trust Units are qualified investments for registered plans such as RRSP, RRIF, DPSP and RESPs. Unitholders who hold their Trust Units in a registered plan do not need to report any income related to distributions on their 2007 income tax return.

Non-Resident Unitholders

Unitholders not residing in Canada are encouraged to seek advice from a qualified advisor in their country of residence to obtain guidance on the appropriate income tax treatment of their distributions.

Bonavista Energy Trust 2007 U.S. Income Tax Information

The following information is being provided to assist U.S. individual Unitholders in reporting distributions received from Bonavista during 2007 on their Internal Revenue Service ("IRS") Form 1040, “U.S. Individual Income Tax Return” ("Form 1040").

This summary is of a general nature only and is not intended to be legal or tax advice to any particular Unitholder or potential Unitholder. Unitholders or potential Unitholders should consult their own legal and tax advisors as to their particular tax consequences of holding Trust Units.

Qualified Dividends

In consultation with its U.S. tax advisors, Bonavista believes that its Trust Units should be properly classified as equity in a corporation, rather than debt, and that dividends paid to individual U.S. Unitholders should be “qualified dividends” for U.S. federal income tax purposes. As such, the portion of the distributions made during 2007 that are considered dividends for U.S. federal income tax purposes should qualify for the reduced rate of tax applicable to long-term capital gains. However, the individual taxpayer’s situation must be considered before making this determination.

Bonavista has not received an IRS letter ruling or a tax opinion from its tax advisors on these matters.

Trust Units Held Outside a Qualified Retirement Plan

With respect to cash distributions paid during the year to U.S. individuals, 100 percent should be reported as “qualified dividends”.

The portion of the distributions treated as "qualified dividends” should be reported on Line 9b of Form 1040, unless the fact situation of the U.S. individual Unitholders determines otherwise. Commentary on page 23 of the Form 1040 Instruction Booklet for 2007 with respect to "qualified dividends" provides examples of individual situations where the dividends would not be "qualified dividends". Where, due to individual situations, the dividends are not "qualified dividends", the amount should be reported on Schedule B – Part II – Ordinary Dividends and Line 9a of Form 1040.

For U.S. federal income tax purposes, in reporting a return of capital with respect to distributions received, U.S. Unitholders are required to reduce the cost base of their Trust Units by the total amount of distributions received that represent a return of capital. This amount is non-taxable if it is a return of cost base in the Trust Units. A return of capital for U.S. tax purposes is calculated differently than for Canadian tax purposes. For U.S. tax purposes, a return of capital occurs only after all the current and accumulated earnings and profits of a corporation have been distributed. If the full amount of the cost base has been recovered, any further return of capital distributions should be reported as capital gains. Since the return of capital for 2007 is nil, there should be no effect on cost base.

U.S. Unitholders are encouraged to utilize the Qualified Dividends and Capital Gain Tax Worksheet of Form 1040 to determine the amount of tax that may be otherwise applicable.

For Canadian income tax purposes the distributions are subject to a minimum 15% Canadian withholding tax that is withheld prior to any payments being distributed to Unitholders. Where Trust Units are held in a cash account, we believe the full amount of all withholding tax should be creditable, subject to numerous limitations, for U.S. tax purposes in the year in which the withholding taxes are withheld. Where Trust Units are held in qualified retirement account, the same withholding taxes apply but the amount is not creditable for U.S. tax purposes.

The amount of Canadian tax withheld should be reported on Form 1116, "Foreign Tax Credit (Individual, Estate, or Trust)". Information regarding the amount of Canadian tax withheld in 2007 should be determined from your own records and is not available from Bonavista. Amounts over withheld, if any, from Canada should be claimed as a refund from the Canada Revenue Agency no later than two years after the calendar year in which the payment was paid.

Investors should report their dividend income and capital gain (if any), and make adjustments to their tax basis in the Trust Units, in accordance with this information and subject to advice from their tax advisors. U.S. individual Unitholders who hold their Trust Units through a stockbroker or other intermediary should receive tax reporting information from their stockbroker or other intermediary. We expect that the stockbroker or other intermediary will issue a Form 1099–DIV, “Dividends and Distributions” or a substitute form developed by the stockbroker or other intermediary. Bonavista is not required to furnish such Unitholders with Form 1099-DIV. Information on the Forms 1099-DIV issued by the brokers or other intermediaries may not accurately reflect the information in this press release for a variety of reasons. Investors should consult their brokers and tax advisors to ensure that the information presented here is accurately reflected on their tax returns. Brokers and/or intermediaries may or may not be required to issue amended Forms 1099-DIV.

Bonavista Energy Trust Units held within a Qualified Retirement Plan

There should be no amount that is required to be reported as income on Form 1040 where the Trust Units are held in a Qualified Retirement Plan.

The information in this release is not meant to be an exhaustive discussion of all possible income tax considerations, but a general guideline and is not intended to be legal or tax advice to any particular Unitholder or potential Unitholder. Unitholders or potential Unitholders should consult their own tax advisors as to their particular tax consequences of holding the Trust Units.

Bonavista is a natural gas weighted energy trust which 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.

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