



EAGLE ENERGY™
TRUST

PRESS RELEASE

FOR IMMEDIATE RELEASE: November 4, 2013

**EAGLE ENERGY TRUST ANNOUNCES \$26.3 MILLION ACQUISITION OF
PRODUCING OIL ASSETS IN TEXAS AND INCREASE TO CREDIT FACILITY**

Calgary, Alberta – November 4, 2013 – **Eagle Energy Trust (TSX: EGL.UN)** is pleased to announce that its operating subsidiary, Eagle Energy Acquisitions LP (“**Eagle**”), has entered into a binding agreement with an undisclosed party to acquire producing petroleum properties in Hardeman County, Texas (the “**Assets**”) for a purchase price of \$US 26,250,000 in cash, subject to closing adjustments (the “**Acquisition**”). Eagle expects to add approximately 300 barrels of oil equivalent (“**boe**”) per day to its existing production. The Acquisition is expected to close on or about November 25, 2013, with an effective date of October 1, 2013.

The Acquisition

The highlights of the Acquisition are as follows:

- Current working interest production of approximately 300 boe per day consisting of 97% light sweet crude (43° API) from 34 producing wells
- Internally estimated reserves by a qualified reserves evaluator of 1.47 million boe (proved only) as at October 1, 2013, of which 88% is proved developed producing
- Historical one year cash flow of \$US 4.5 million
- Accretive to production, reserves and cash flow per unit
- Field netback of \$US 48 per boe at \$US 93 WTI
- Approximately 10,000 gross acres of land, a 150% increase in Eagle’s total gross land position
- 80% of the land is held by production, with the undeveloped lands remaining available to be drilled under current leases through 2017
- Eagle will operate 85% of the wells and hold a 90% average working interest in the Assets
- Estimated average annual decline rate of 12%
- Minimal annual maintenance capital, further supporting the sustainability of the Trust’s cash distributions (2014 capital investment will be determined as part of Eagle’s 2014 budget process)
- Anticipated upside consists of recompletions, additional low risk drilling, operational enhancements and potential horizontal Atoka trend development

The \$US 26.3 million Acquisition will be entirely funded by bank debt. Pro-forma net debt at closing is expected to be approximately \$US 76 million resulting in a conservative pro-forma debt to cash flow ratio of 1.5:1 (based on Eagle's full year 2013 cash flow guidance adjusted for historical one year cash flow from the Assets). After the closing of the Acquisition, Eagle expects to have approximately \$US 14 million of undrawn capacity under its credit facility.

"We are pleased to add a third, high quality, low decline oil-focused asset to the Eagle portfolio," said Richard Clark, Eagle's President and Chief Executive Officer. "Like our previous acquisitions, this Acquisition adds a high field netback, cash flow producing asset, which provides upside through a low risk drilling inventory. The Assets maintain Eagle's focus on oil production located in close proximity to refineries, enhance the long-term sustainability of Eagle's asset base and represent an accretive acquisition for our unitholders without stretching our balance sheet."

Credit Facility

Eagle is also pleased to announce that the syndicate of lenders for Eagle's credit facility have completed their annual mid-year review and have approved a \$US 9 million increase to the borrowing base under the credit facility to \$US 70 million and an extension of its term to May 2015. In addition, upon the successful closing of the Acquisition, the lenders have approved a further increase in Eagle's credit facility to \$US 90 million consisting of a \$US 80 million revolving facility and a new one year non-revolving credit facility of \$US 10 million.

Non-IFRS Financial Measures

Statements in this press release make reference to the terms "field netback" and "cash flow", which are non-International Financial Reporting Standards ("IFRS") financial measures that do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Investors should be cautioned that these measures should not be construed as an alternative to net income calculated in accordance with IFRS. Management believes that "field netback" and "cash flow" provide useful information to investors and management since these terms reflect the quality of production, the level of profitability, the ability to drive growth through the funding of future capital expenditures, and the sustainability of distributions to unitholders. Cash flow is calculated before changes in non-cash working capital. Field netback is calculated by subtracting royalties and operating expenses from revenue.

Note Regarding Barrel of Oil Equivalency

Eagle has adopted the standard of 6 Mcf to 1 bbl when converting natural gas to boe. "Boes" may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf to 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, given that the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalent of six to one, utilizing a boe conversion ratio of 6 Mcf to 1 bbl would be misleading as an indication of value.

Note Regarding Forward-Looking Statements

Certain of the statements made and information contained in this press release are forward-looking statements and forward looking information (collectively referred to as "forward-looking statements") within the meaning of Canadian securities laws. All statements other than statements of historic fact are forward-looking statements.

In particular, forward-looking statements contained in this press release include, but are not limited to, statements pertaining to the Acquisition and Eagle's credit facility including, among other things, the anticipated closing date of the Acquisition; management's expectations regarding the impact of the Acquisition to Eagle's production, reserves and cash flow on a per Trust unit basis; the estimated reserves, annual maintenance capital, field netback, annual decline rate, operatorship and anticipated upside from the Assets; the funding of the Acquisition by bank debt; the amount of Eagle's debt, debt to cash flow ratio, and undrawn capacity and borrowing base under Eagle's credit facility after completion of the Acquisition. In addition, statements relating to "reserves" are by their nature forward-looking statements because they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future. The recovery and estimates of the

Asset's reserves provided in this press release are estimates only and there is no guarantee that the estimated reserves will be recovered.

In determining the key attributes of the Acquisition, its anticipated impact on Eagle, and the expected increase to the credit facility, management has made assumptions relating to, among other things, anticipated future production from the Assets' wells; future commodity prices; future operating and capital costs; United States/Canadian dollar exchange rates; the regulatory framework in Texas and the United States governing taxes, oil and gas operations and environmental matters; Eagle's ability to market future production from the Assets; and internally generated reserves estimates in respect of the Assets. These assumptions necessarily involve known and unknown risks and uncertainties inherent in the oil and gas industry such as geological, environmental, technical, drilling and processing problems; the volatility of oil and gas prices; commodity supply and demand; fluctuations in currency and interest rates; obtaining regulatory approvals; competition for services and supplies; as well as other business risks that are set out in the Trust's Annual Information Form dated as of March 22, 2013 under the heading "Risk Factors".

As a result of these assumptions and risks, actual performance and financial results from the Assets and for the Trust may differ materially from any projections of future performance or results expressed or implied by these forward-looking statements. The Assets' and Eagle's production rates and operating costs, and the Trust's distributions, are subject to change in light of ongoing results, prevailing economic circumstances, obtaining regulatory approvals, commodity prices, and industry conditions and regulations.

Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those set out in this press release. Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward looking statements will not occur. Although management believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date the forward-looking statements were made, there can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will in fact be realized. The forward-looking statements are made as of the date of the press release and the Trust disclaims any intent or obligation to update or publicly revise any forward-looking statements, whether as a result of new information, future events or results, or otherwise, other than as required by applicable securities law. Actual results will differ, and the difference may be material and adverse to the Trust and its unitholders.

About Eagle Energy Trust

Eagle is an oil and gas energy trust created to provide investors with a publicly traded, oil and natural gas focused, reliable distribution paying investment, with favourable tax treatment relative to taxable Canadian corporations.

All material information pertaining to Eagle Energy Trust may be found under Eagle's issuer profile at www.sedar.com or on Eagle's website at www.EagleEnergyTrust.com.

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