PRESS RELEASE

FOR IMMEDIATE RELEASE: December 18, 2013

EAGLE ENERGY TRUST PROVIDES 2013 OPERATIONAL UPDATE AND ANNOUNCES $US 28 MILLION CAPITAL PROGRAM AND GUIDANCE FOR 2014

Calgary, Alberta **-** December 18, 2013 **- Eagle Energy Trust (the "Trust") (TSX: "EGL.UN")** is pleased to provide an operational update of its subsidiary Eagle Energy Acquisitions LP ("Eagle"), including Eagle's 2014 capital program, production guidance and operating cost budget.

This press release contains statements that are forward looking. Investors should read the "Note Regarding Forward-Looking Statements" at the end of this press release. Figures within this press release are presented in Canadian dollars unless otherwise indicated.

Eagle Achieves 2013 Production Guidance and Comments on Recent Permian Basin Activity

Eagle remains on track to achieve its full year 2013 average production guidance of 2,900 to 3,100 barrels of oil per day ("boe/d") and average operating costs (inclusive of transportation) of approximately $12 per boe, while incurring capital expenditures of approximately $US 29.2 million.

"For 2014, Eagle's capital budget is focused on enhancing the sustainability of Eagle's distributions, while also adding moderate growth," said Mr. Clark.

Mr. Clark continued, "The Permian horizontal opportunities around our Midland Permian Basin property represent a potential growth event for Eagle. We were hopeful others would develop the horizontal potential in this area when we completed the acquisition of these properties 18 months ago. The Permian is estimated by many to be on the verge of becoming the largest oilfield in the United States, surpassing both the Bakken and the Eagleford. Operators directly offsetting Eagle's property are currently drilling horizontal wells, and the results are being closely monitored by Eagle. Eagle believes it is very well positioned to create value for unitholders with its existing position in the Permian."

Board Approves 2014 Capital Budget and Production and Operating Cost Guidance

Eagle is pleased to announce that the Board of Directors has approved a 2014 capital budget of $US 28 million; $US 3.8 million of which will be directed towards land acquisition and seismic evaluation of future opportunities in Eagle's areas of operations, with the remaining $US 24.2 million base investment (down 17% year over year) used to replace declines and grow 2014 average annual working interest production and funds flow by approximately 10% over 2013.

For 2014, Eagle's budget continues to focus on asset development in Texas as those assets move towards the sustainability phase in Midland and Luling. It also includes capital for the newly acquired Hardeman County assets to define future development potential.

With this 2014 capital budget, Eagle intends to execute an 11 (9.6 net) well drilling program on its properties near Luling, Midland and in Hardeman County as well as embarking on recompletions, facilities upgrades and debottlenecking across our portfolio. In addition, a portion of the capital investment will be deployed to purchase land and evaluate seismic opportunities.

Eagle anticipates average 2014 working interest production in the range of 3,250 to 3,450 boe/d (up 10% year over year), consisting of 85% oil, 9% NGLs and 6% gas.

Operating costs (inclusive of transportation) per boe in 2014 are expected to average in the range of $12.50 to $14.50 per boe, resulting in field netbacks of approximately $52.00 per boe.

Funds flow from operations in 2014 is expected to be approximately $49.1 million using the following assumptions:

- average working interest production of 3,350 boe/d;
- pricing at $US 95.00 per barrel WTI oil, $US 3.35 per Mcf NYMEX gas and $US 33.25 per barrel NGLs (NGLs price is calculated as 35% of the WTI price);
- differential to WTI (excluding transportation) is $1.17 discount per barrel in Midland, $2.52 discount per barrel in Luling and $2.40 discount per barrel in Hardeman;
- average operating costs (inclusive of transportation) of $13.50 per boe; and
- foreign exchange at $CAD 1.05 = $US 1.00.

A table showing the sensitivity of Eagle's funds flow to production and commodity pricing is set out below under the heading "Sensitivities".

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2014 Capital Budget

The Board of Directors has approved a 2014 capital budget of $US 28 million, consisting of the following drilling plans:

- Luling Area:
  - 7 (5.6 net) horizontal oil wells
  - Land, seismic, other projects
- Midland Area:
  - 3 (3.0 net) vertical wells
  - 10 - 15 recompletions, capital workovers and other projects
- Hardeman County:
  - 1 (1.0 net) vertical wells
  - 1 - 3 recompletions, capital workovers, seismic and other projects

The capital budget excludes corporate and property acquisitions, which are evaluated separately on their own merits.

Calculations and Commentary Regarding the Sustainability of Eagle's Distributions

Payout Ratios (as a percentage of cash flow)	**2013 Guidance**	**2014 Guidance**	**Notes**
Basic Payout Ratio (i.e.: Distribution)	72%	72%	1
Plus: Capital Expenditures (excluding "E" capital)	67%	52%	2
Equals: Corporate Payout Ratio	139%	123%	3
Adjusted Payout Ratio (i.e.: Distribution - DRIP proceeds + Capital Expenditures)	95%	77%	4
Financial Strength			
Debt to trailing cashflow	1.64x	1.34x	5
% Drawn on existing credit facility	77%	78%	6

Notes:

1. Eagle calculates its Basic Payout Ratio as follows:

$$\frac{\text{Unitholder Distributions}}{\text{Funds flow from Operations}} = \text{Basic Payout Ratio}$$

   A table showing the sensitivity of Eagle's Basic Payout Ratio to production and pricing is set out below under the heading "Sensitivities".

2. Approximately $US 3.75 million of the 2014 capital budget will be directed towards land and seismic evaluation of opportunities in Eagle's areas of operation, and is excluded from this calculation.

3. Eagle calculates the Corporate Payout Ratio as follows:

$$\frac{\text{Capital Expenditures + Unitholder Distributions}}{\text{Funds flow from Operations}} = \text{Corporate Payout Ratio}$$

   A table showing the sensitivity of Eagle's Corporate Payout Ratio to production and pricing is set out below under the heading "Sensitivities".

4. Assumes 65% unitholder participation in Eagle's Premium Drip™ and distribution reinvestment programs is unchanged throughout 2014. As is the case with any manner of equity funding, Eagle weighs the benefits of this method of financing and will make adjustments as deemed prudent.

5. Debt to cash flow is a bigger driver than the percentage drawn on current bank facilities. Increased leverage means increased distribution sustainability risk. Eagle's view is that the maximum target would be 2.0x for larger entities, and 1.5x for smaller entities.

6. The borrowing base under the credit facility is $US 90.0 million.

Underlying Asset Quality Benchmarks

Oil and Gas Fundamentals	2013 Guidance	2014 Guidance	Notes
Oil Weighting	88%	85%	
Gas Weighting (@ 6 Mcf:1 bbl)	4%	6%	
NGL Weighting	8%	9%	
Operating Expense	$12.00	$12.50 to $14.50	1
Field Netbacks	$51.17	$52.00	2
% Hedged	43%	49%	3

Notes:

1. Including transportation.

2. Directly relates to producer's ability to generate free cash flow. Assuming average operating costs (inclusive of transportation) of $13.50 per boe.

3. Hedging supports sustainability in a volatile commodity price environment (target 50%). 2014 hedges currently in place lock in an average of 1,650 barrels per day at WTI prices ranging from $US 90.00 to $US 98.00 per barrel.

Sustaining vs Growth Capital

	2014 Guidance	Notes
Base Production (boe/d) - 2013 December average working interest production	3,100	
Corporate Decline Rate %	23%	
Required Make-up (boe/d)	713	
Capital Efficiency Statistics ($ / boe/d)	$25,000	1

Notes:

1. This is the cost for which a producer can replace a barrel of production (*i.e.*, how much it costs to replace declines).

Sensitivities

The following tables show the sensitivity of Eagle's funds flow, corporate payout ratio and basic payout ratio to changes in commodity price and production.

Sensitivity of Funds Flow ($ millions) to Commodity Price and Production

		2014 Average WTI		
		$US 90.00	$US 95.00	$US 100.00
2014 Average WI Production (boe/d)	3,250	45.6	47.2	48.3
	3,350	47.4	49.1	50.4
	3,450	49.2	51.1	52.4

Sensitivity of Corporate Payout Ratio[4] to Commodity Price and Production

		2014 Average WTI		
		$US 90.00	$US 95.00	$US 100.00
2014 Average WI Production (boe/d)	3,250	132%	129%	125%
	3,350	128%	123%	120%
	3,450	123%	118%	115%

Sensitivity of Basic Payout Ratio to Commodity Price and Production

		2014 Average WTI		
		$US 90.00	$US 95.00	$US 100.00
2014 Average WI Production (boe/d)	3,250	77%	74%	73%
	3,350	74%	72%	70%
	3,450	71%	69%	67%

Assumptions:

1 Annual distributions are held at current levels of $1.05 per unit per year.
2. No new equity issued other than under the distribution reinvestment program.
3. Field operating costs (including transportation) of $13.50 per boe.
4. Approximately $US 3.75 million of the 2014 capital budget will be directed towards land and seismic evaluation of opportunities in Eagle's areas of operation, and is excluded from this calculation.

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Non-IFRS Financial Measures

Statements throughout this press release make reference to the terms "funds flow from operations", "distributions", "basic payout ratio" and "corporate payout ratio" which are non-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 "funds flow from operations", "basic payout ratio" and "corporate payout ratio" 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. Funds flow from operations is calculated before changes in non-cash working capital. References to "distributions" are to cash distributions to unitholders in accordance with the distribution policies of the Trust. Management believes that prospective investors may consider the cash distributed by the Trust relative to the price of the units when assessing an investment in units.

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.

Forward-looking statements include those pertaining to Eagle's average working interest production for 2013 and 2014; drilling program for 2014; 2014 capital budget amount and specific uses; the impact of the 2014 capital budget on the sustainability of Eagle's distributions and growth; the potential for horizontal drilling opportunities in the Midland Permian Basin property; 2014 operating costs; commodity prices; US/Canadian dollar exchange rates; funds flow from operations; cash available from the distribution reinvestment and Premium Drip™ programs; corporate and basic payout ratios; sensitivities of funds flow, corporate payout ratio and basic payout ratio to production rates and commodity prices; sustainability of production; amount of and sustainability of distributions on the Trust's units; and existing credit facilities. In determining its 2014 drilling program, timing for bringing wells onto production, the production rates from the wells, and 2014 capital budget management has made assumptions relating to, among other things, anticipated future production from wells in the Luling and Midland areas and Hardeman County, regulatory approvals, future commodity prices and US/Canadian dollar exchange rates, the regulatory framework governing taxes and environmental matters in the U.S. and Texas, the ability to market future production from Eagle's oil and gas properties, future capital expenditures and the geological and engineering reserves estimates in respect of Eagle's properties. 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 March 22, 2013 under the heading "Risk Factors".

The success of Eagle's drilling program is a key assumption in the production estimates for 2014. The primary risk factors inherent in the oil and gas industry which could lead to Eagle not meeting its production targets are: (i) production rates from drilling activity being less than expected; (ii) a lack of access to drilling rigs and related equipment on a timely basis and at reasonable prices due to high industry demand or poor weather; (iii) not obtaining regulatory approvals; and (iv) unexpected operational delays and challenges. Increases in capital costs from forecast amounts can result from the foregoing reasons as well as general cost inflation in the industry. Additionally, Eagle may choose to decrease capital expenditures from those anticipated in its budget projections, therefore affecting production estimates for 2014. There are also many other factors inherent in the oil and gas industry that could result in production levels being less than anticipated, including greater than anticipated declines in existing production due to poor reservoir performance, the unanticipated encroachment of water or other fluids into the producing formation, mechanical failures or human error or inability to access production facilities, among other factors.

As a result of these risks, actual performance and financial results in 2013 and 2014 may differ materially from any projections of future performance or results expressed or implied by these forward-looking statements. Eagle's production rates, operating costs and 2014 capital budget, 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. New factors emerge from time to time, and it is not possible for management to predict all of these factors or to assess in advance the impact of each such factor on the operations of Eagle, or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

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. Actual results will differ, and the difference may be material and adverse to the Trust and its unitholders.

Oil and Natural Gas Measures

This press release contains disclosure expressed as "boe" or "boe/d". All oil and natural gas equivalency volumes have been derived using the conversion ratio of six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of oil. Equivalency measures may be misleading, particularly if used in isolation. A conversion ratio of 6 Mcf: 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 well head. 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: 1 bbl would be misleading as an indication of value.

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's profile at www.sedar.com or on Eagle's website at www.EagleEnergyTrust.com.

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