NEWS RELEASE

FOR IMMEDIATE RELEASE

Eagle Energy Trust Announces $100 Million Acquisition in North Central Alberta

Calgary, Alberta – December 16, 2014 - (TSX: EGL.UN): Eagle Energy Trust (the "**Trust**" or "**Eagle**") is pleased to announce that its newly established Canadian operating subsidiary, Eagle Energy Canada Inc., has signed a purchase and sale agreement with Spyglass Resources Corp. (the "**Seller**") to acquire a 50% non-operated working interest in producing petroleum properties under horizontal waterflood in the Dixonville Montney "C" oil pool located in north central Alberta (the "**Dixonville Properties**") for a purchase price of $100 million (the "**Acquisition**"). The Dixonville Properties are characterized by single digit declines, a stable production base and a low ongoing sustaining capital requirement.

With this Acquisition, Eagle adds approximately 1,250 barrels of oil equivalent ("**boe**") per day to its existing production. The Acquisition is expected to close on December 18, 2014.

The Acquisition

The highlights of the Acquisition and associated metrics are as follows:

- 50% non-operated working interest in the Dixonville Montney "C" oil pool located in north central Alberta.
- Current 50% working interest production of approximately 1,250 boe per day consisting of 97% light sweet crude (30^{o} API) from 112 producing wells and 82 injector wells.
- Less than 10% average annual decline, a stable production base and a low ongoing sustaining capital requirement.
- Access to multiple pipeline and rail infrastructure delivery options, including a 50% interest in a recently refurbished pipeline system.
- Eagle will acquire estimated proved reserves of 7.7 million boe (98% proved developed producing) and proved plus probable reserves of 10.6 million boe, based on an independent reserves evaluation report prepared for the Seller by McDaniel & Associates Consultants Ltd., effective December 31, 2013 (the "**Report**").
- Total proved plus probable reserve life index of 23 years (17 years total proved).

- Based on WTI of US$70 per barrel of oil:
    - Estimated 2015 field netback of $12.7 million ($27.00 per boe); and
    - Estimated 2015 capital requirements of approximately $1.3 million, leaving approximately $11.4 million of free cash-flow.
- Acquisition metrics:
    - $12.99 per proved boe and $9.43 per proved plus probable boe (based on the Report).
    - $80,000 per flowing boe/d based on current working interest production.
    - A cash-flow acquisition multiple of 8 times based on estimated 2015 field netback of $12.7 million at US$70 WTI.

The Acquisition will be funded with $55 million of Eagle's available cash and the balance from Eagle's existing credit facility. Eagle expects an increase to its borrowing base as a result of the Acquisition, which consists predominantly of proved developed producing reserves.

"We are pleased to enter Canada with a high quality, low decline, oil asset," said Richard Clark, Eagle's President and Chief Executive Officer.

"This Acquisition represents the successful redeployment of our Permian sale proceeds. Dixonville replaces more than 100% of the production we sold in the Permian and will generate almost 89% free cash flow at US$70 WTI. An even higher percentage of free cash flow will be realized as commodity prices recover. Eagle has significantly reduced its sustaining capital requirements using only $100 million of the $150 million realized from the Permian sale."

Mr. Clark continued, "This Acquisition provides Eagle an opportunity to have a significant interest in one of Alberta's premier long life oil fields. We believe Dixonville's low decline rates will contribute to Eagle's sustainability for many years to come."

Anticipated Benefits Associated With the Acquisition

- This Acquisition will add a new strategic Canadian property and diversifies Eagle's portfolio of petroleum assets.
- Eagle's overall reserves life index improves to approximately 15 years on a proved plus probable basis (10 years on a proved basis).
- This Acquisition increases Eagle's production base by approximately 70%, while maintaining Eagle's solid balance sheet.
- Since no Eagle units will be issued as part of the Acquisition, the addition of Dixonville Properties to Eagle is accretive on all per unit metrics.

Advisories

Non-IFRS Financial Measures

Statements in this news release make reference to the terms “field netback” and “free 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 “free 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. “Field netback” for the Dixonville Properties is calculated by subtracting royalties and operating expenses from revenue. “Free cash flow” is calculated by subtracting capital expenditures for the Dixonville Properties from field netbacks for the Dixonville Properties.

Note Regarding Forward-Looking Statements

Certain of the statements made and information contained in this news 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 news release include, but are not limited to, statements pertaining to management’s expectations regarding: the closing date of the Acquisition; the anticipated impact of the Acquisition on the production, reserves, cash flow, reserve life index and sustainability of Eagle; the estimated reserves, estimated field netback, annual maintenance capital, free cash flow, annual decline rate, and reserves life index of the Dixonville Properties; Eagle’s expectation that its borrowing base under its credit facility would increase as a result of the Acquisition; and the anticipated benefits for Eagle associated with 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 Dixonville Properties’ reserves provided in this news release are estimates only and there is no guarantee that the estimated reserves will be recovered.

In determining the key attributes of the Acquisition and its anticipated impact on Eagle, management has made assumptions relating to, among other things, anticipated future production from the Dixonville Properties’ wells; future commodity prices; future operating and capital costs; United States/Canadian dollar exchange rates; the regulatory framework in Alberta and Canada governing taxes, oil and gas operations and environmental matters; Eagle’s ability to market future production from the Dixonville Properties; and reserves estimates in respect of the Dixonville 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 as of March 20, 2014 under the heading "Risk Factors".

As a result of these assumptions and risks, actual performance and financial results from the Dixonville Properties and for the Trust may differ materially from any projections of future performance or results expressed or implied by these forward-looking statements. The Dixonville Properties' 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 news 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 this news 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.

Oil and Natural Gas Measures

This news 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 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: 1 bbl would be misleading as an indication of value.

About Eagle Energy Trust

Eagle Energy Trust is an oil and gas energy trust created to provide investors with a publicly traded, oil and natural gas focused, reliable distribution paying investment. Eagle's units are traded on the Toronto Stock Exchange under the symbol EGL.UN.

All material information about Eagle may be found on its website at www.eagleenergytrust.com or under Eagle's issuer profile at www.sedar.com.

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