



**EAGLE ENERGY
TRUST**

PRESS RELEASE

**EAGLE ENERGY TRUST ANNOUNCES ADOPTION OF
PREMIUM DISTRIBUTION™ AND DISTRIBUTION REINVESTMENT PLAN**

Calgary, Alberta – March 1, 2011 – Eagle Energy Trust (the “Trust”) (TSX:EGL.UN) is pleased to announce that it has adopted a Premium Distribution™ and Distribution Reinvestment Plan (the “Plan”).

The Plan provides eligible unitholders with the opportunity to reinvest their monthly cash distributions in new trust units at a 5% discount to the Average Market Price (as defined in the Plan) on the applicable distribution payment date, which new trust units will, at the participant's election, either be

- credited to the participant's account under the distribution reinvestment component of the Plan, or
- delivered to the designated Plan Broker in exchange for a premium cash payment to the participant equal to 102% of the reinvested distributions under the Premium Distribution™ component of the Plan.

Canaccord Genuity Corp. will act as the Plan Broker for the Premium Distribution™ component of the Plan. Participation in the Plan by unitholders is optional. Those unitholders who do not enroll in the Plan will still receive monthly cash distributions as declared by the Trust.

To facilitate the operation of the Plan, the Trust has changed the payment date under its distribution policy from the 15th day of the month immediately following the record date for the distribution to the 23rd day of the month immediately following the record date for the distribution. If the 23rd day is not a business day, then the payment will be made on the immediately preceding business day. The record date for distributions will continue to be the last business day of the month.

Registered unitholders who wish to enroll in the distribution reinvestment component or the Premium Distribution™ component of the Plan must enroll using the internet or deliver a completed Enrollment Form to Computershare Trust Company of Canada, as Plan Agent, before 5:00 p.m. (Toronto time) on the 5th business day preceding the record date for the distribution. For enrollment using the internet, or to obtain a copy of the Enrollment Form, see the Plan Agent's website at www.computershare.com/investorcentrecanada. A copy of the Enrollment Form may also be obtained by calling the Plan Agent at 1-800-564-6253, or from the Trust's website at www.EagleEnergyTrust.com.

™ Denotes trademark of Canaccord Genuity Corp.

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Beneficial unitholders who wish to enroll in the distribution reinvestment component or the Premium Distribution™ component of the Plan should contact the broker or other nominee through which their trust units are held to provide appropriate instructions and to ensure any deadlines or other requirements that such broker or nominee may impose or be subject to are met. These instructions will be collected and aggregated within the brokerage system and ultimately communicated to the Plan Agent.

Unitholders who are resident in Canada may participate in either the distribution reinvestment component or the Premium Distribution™ component of the Plan. Unless otherwise announced by the Trust, a unitholder who is a resident of the United States or is otherwise a "U.S. person" (as defined in the Plan) may not participate in either the distribution reinvestment component or the Premium Distribution™ component of the Plan. Unitholders who are resident in any jurisdiction outside of Canada (other than the United States) may participate in the distribution reinvestment component of the Plan only if their participation is permitted by the laws of the jurisdiction in which they reside and provided that the Trust is satisfied, in its sole discretion, that such laws do not subject the Plan or any of the Trust, the Plan Agent or the Plan Broker to additional legal or regulatory requirements. Unless otherwise announced by the Trust, unitholders who are not resident in Canada may not participate in the Premium Distribution™ component of the Plan. The amount of any distributions to be reinvested under the Plan on behalf of Unitholders who are not residents of Canada will be reduced by the amount of any applicable non-resident withholding tax.

The Trust reserves the right to limit the amount of new equity available under the Plan on any particular distribution payment date. No assurances can be made that new trust units will be made available under the Plan on a monthly basis, or at all. Accordingly, participation may be prorated in certain circumstances. If on any distribution payment date the Trust determines not to issue any equity under the Plan, or the availability of new trust units is prorated in accordance with the terms of the Plan, then participants will be entitled to receive from the Trust the full amount of the regular distribution for each trust unit in respect of which the distribution is payable but cannot be reinvested under the Plan in accordance with the applicable election.

No commissions, service charges or similar fees are payable in connection with the purchase of trust units from treasury under either component of the Plan. All administrative costs of the Plan will be paid by the Trust. Unitholders who wish to participate in the Plan indirectly through the brokers, investment dealers, financial institutions or other similar nominees through which their trust units are held should consult such nominees to confirm whether commissions, service charges or similar fees are payable.

Participation in the Plan does not relieve unitholders of any liability for taxes that may be payable in respect of distributions that are reinvested in new trust units under the Plan. Unitholders should consult their tax advisors concerning the tax implications of their participation in the Plan having regard to their particular circumstances.

A complete copy of the Plan, together with a related series of Questions and Answers, are available on the Trust's website at www.EagleEnergyTrust.com or by contacting the Trust's President and Chief Executive Officer directly at the number indicated below, or on the Plan Agent's website at www.computershare.com/investorcentrecanada. Unitholders should carefully read the complete text of the Plan before making any decisions regarding their participation in the Plan.

Eagle Energy Trust

The Trust is a newly formed energy trust created to provide investors with a publicly traded, oil and natural gas focused, distribution producing investment, with favourable tax treatment relative to taxable Canadian corporations.

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

For further information on Eagle Energy Trust please contact:

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