



## **EAGLE ENERGY TRUST**

# **PRESS RELEASE**

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**FOR IMMEDIATE RELEASE: February 11, 2011**

### **EAGLE ENERGY TRUST ANNOUNCES 2010 YEAR END RESERVES AND OPERATIONAL UPDATE**

**Calgary, Alberta — February 11, 2011:** Eagle Energy Trust (the “Trust”) (TSX:“EGL.UN”) today announced the results of the December 31, 2010 independent reserves evaluation of its wholly-owned US subsidiary (“Eagle US”), and provided an operational update. The evaluation was conducted by GLJ Petroleum Consultants (“GLJ”) effective December 31, 2010 and prepared in accordance with National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*.

#### **Operational Update**

- Eagle US has signed a 6 month drilling contract to secure its current rig for its budgeted 2011 capital drilling program.
- Eagle US has finished drilling its 16<sup>th</sup> horizontal well in the Salt Flat field drilling program since the June 1, 2010 effective acquisition date and has achieved a 100% success rate. Nine of these wells have been tied in, with the remaining wells expected to be put on stream within the next 90 days.
- Eagle US has secured transportation and marketing agreements to ensure that its volumes will continue to be marketed at attractive differentials to the West Texas Intermediate posted price.

#### **2010 Year End Reserve Report Highlights**

- Total proved and probable reserves of approximately 7.1 million barrels of oil, 43% of which are categorized as proved.
- Total reserve additions of 318 Mbbbls over the 7 months since the June 1, 2010 effective acquisition date, resulting in Eagle US replacing 300% of its volumes produced from June 1 to December 31, 2010.

- A US\$44 million increase in proved plus probable reserves value since June 1, 2010, after having produced 99.5 Mbbls.
- A current reserve life index of 14.6 years based on January 2011 average production of 1327 bbls/day.
- 100% of the reserves are light oil.

The following tables summarize the independent reserves estimates and values as at December 31, 2010:

### **Summary of Oil Reserves**

Reserves Category	Company Gross <sup>(1)</sup> (Mbbls)
<b>Proved</b>	
Developed Producing	987
Developed Non-Producing	464
Undeveloped	1600
<b>Total Proved</b>	3051
<b>Probable</b>	4022
<b>Total Proved Plus Probable</b>	7073

**Note:**

- (1) Gross reserves are Eagle US's total working interest share before the deduction of any royalties and without including any royalty interest of the Trust.

### **Summary of Net Present Value of Future Net Revenue of Oil Reserves**

Reserves Category	Net Present Value of Future Net Revenue Before Income Taxes Discounted at (%/year) <sup>(1)</sup>				
	0% (US\$000)	5% (US\$000)	10% (US\$000)	15% (US\$000)	20% (US\$000)
<b>Proved</b>					
Developed Producing	47,718	38,762	32,885	28,787	25,784
Developed Non-Producing	21,611	17,593	14,893	12,982	11,566
Undeveloped	55,108	41,947	33,159	26,984	22,456
<b>Total Proved</b>	124,438	98,302	80,938	68,753	59,807
<b>Probable</b>	192,528	129,054	92,361	69,510	54,376
<b>Total Proved Plus Probable</b>	316,966	227,356	173,299	138,263	114,183

**Notes:**

- (1) Estimates of after-tax future net revenue are not presented because neither Eagle US nor the Trust will be subject to taxes in Canada.
- (2) It should not be assumed that the present values of estimated future net revenue shown above are representative of the fair market value of the reserves. There is no assurance that such price and costs assumptions will be attained and variances could be material. The recovery and reserves estimates of crude oil reserves provided in this press release are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil reserves may be greater than or less than the estimates provided in this press release.
- (3) Present values of estimated future net revenue shown above are based on GLJ's escalated price forecast as of December 31, 2010, which assumes a base 2011 oil price of US\$88/bbl.

## **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. Statements relating to “reserves” are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and can be profitably produced in the future.

This press release contains forward-looking statements pertaining to, and which rely on assumptions as to, the volumes and estimated value of Eagle US’s proved and probable reserves, forecasted production levels, future oil prices and the expected timing of tying in the remaining wells. These forward-looking statements are based on the Trust’s current beliefs as well as assumptions made by, and information currently available to, the Trust, including the accuracy of the estimates of Eagle US’s reserve volumes, future commodity prices and costs assumptions, future production levels, the ability to obtain equipment in a timely manner to carry out development activities, the ability to market oil successfully, and the ability to obtain financing on acceptable terms to fund Eagle US’s planned expenditures. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

These assumptions necessarily involve known and unknown risks and uncertainties inherent in the oil and gas industry such as geological, technical, drilling and processing problems and other risks and uncertainties, as well as the business risks discussed in the Trust’s prospectus dated November 16, 2010 under the headings “Forward-Looking Statements” and “Risk Factors”.

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 we believe that the expectations conveyed by the forward-looking statements are reasonable based on information available to us 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. The Trust does not undertake any obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise.

Eagle Energy 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.

**Richard W. Clark**  
**President and Chief Executive Officer**

All material information pertaining to Eagle Energy Trust may be found at [www.sedar.com](http://www.sedar.com) or on the Trust's website at [www.EagleEnergyTrust.com](http://www.EagleEnergyTrust.com).

**Eagle's units are traded on the Toronto Stock Exchange under the symbol EGL.UN.**

For further information on Eagle Energy Trust please contact:

Richard W. Clark  
President and Chief Executive Officer  
403.531.1575  
[info@EagleEnergyTrust.com](mailto:info@EagleEnergyTrust.com)