EAGLE ENERGY™
TRUST

PRESS RELEASE

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EAGLE ENERGY TRUST RELEASES FIRST QUARTER FINANCIAL INFORMATION

Calgary, Alberta: Eagle Energy Trust (the "Trust") (TSX: EGL.UN) is pleased to report its financial and operating results for the first quarter 2012. The Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2012 and related management's discussion and analysis have been filed with the securities regulators and will be available shortly under the Trust's issuer profile on the SEDAR website at www.sedar.com, and are available on the Trust's website at www.EagleEnergyTrust.com. In this press release, references to "Eagle" include the Trust and its operating subsidiaries.

This press release contains statements that are forward looking. Investors should read the Note about Forward-Looking Statements at the end of this press release.

Highlights for the three months ended March 31, 2012

- Two (1.6 net) horizontal sidetrack re-entry oil wells drilled during the period with one (0.8 net) tied in late in March.
- First quarter average working interest sales volumes of 2,169 barrels of oil per day.
- First quarter funds flow from operations of $9.1 million ($46.20 per barrel or $0.50 per unit), up approximately 75% from $5.2 million in the first quarter of 2011 ($45.47 per barrel or $0.29 per unit).
- First quarter field netbacks of $54.36 (2011 first quarter average - $51.00) per barrel.
- No bank debt, an expanded $US 31.0 million credit facility (based on the 2011 independent reserves evaluation).

- 2012 unitholder distributions of $0.26 per unit for the quarter ($0.0875 per unit per month).

Summary of quarterly results

The following table shows selected information for the Trust's first fiscal quarter of 2012 and information for the comparative period in 2011.

	Q1/2012	Q1/2011
($000's except for barrels per day and per unit amounts)		
Sales volumes – barrels per day (100% light oil)	2,169	1,269
Revenue, net of royalties	13,947	7,135
per barrel	70.67	62.49
Funds flow from operations	9,118	5,192
per barrel	46.20	45.47
per unit – basic & diluted	0.50	0.29
Income (loss)	(952)	(1,911)
per unit – basic & diluted	(0.05)	(0.11)
Cash distributions declared	5,024	4,728
per issued unit	0.2625	0.2625
Current assets	16,447	27,920
Current liabilities	20,319	11,712
Total assets	156,477	154,138
Total non-current liabilities	489	2,893
Unitholders' equity	135,669	139,532
Units outstanding for accounting purposes	18,847(1)	17,624(1)
Units issued	19,234	18,012

Note:

(1) Units outstanding for accounting purposes exclude 387,500 units issued due to the performance conditions that have to be met to enable such units to be released from escrow.

Working interest sales volumes for the three months ended March 31, 2012 averaged 2,169 barrels per day (100% light oil), a 71% increase from March 31, 2011 levels. First quarter 2012 volumes benefitted from 25 (20.0 net) additional horizontal oils wells being tied in and brought on stream since the first quarter of 2011. Subsequent to the end of the quarter, Eagle commenced its main 2012 drilling program and has now drilled two wells. Eagle has contracted a drilling rig to complete the balance of the 2012 drilling program. First quarter 2012 average working interest production is in line with management's expectations and management maintains its 2012 average working interest production guidance of 2,600 barrels of oil per day from the Salt Flat Field.

The benchmark WTI price increased 9.5% from first quarter 2011, with $US realized prices and Canadian dollar realized prices increasing by a commensurate amount.

During the quarter, benchmark WTI averaged $US 102.84 per barrel and the Trust realized a field netback of $54.36 per barrel.

Related infrastructure investment and construction of a power trunk line continued throughout the first quarter with the objective to remove all generators currently in use as soon as possible to reduce operating costs. Generators have now been removed from four leases and surveying and procurement activities are underway for the northern leg of the power trunk line which should result in the remaining generators being removed early in the third quarter. Management's decision to temporarily incur higher operating costs due to generator usage enabled Eagle to bring significant production on-stream prior to when the power trunk line could otherwise have been completed.

Total administrative expenses for the first quarter were $1,361,415, approximately $235,000, or 21%, above first quarter 2011 levels. A large portion of administrative expenses are fixed in nature, so the production additions that occurred in the latter portion of 2011 resulted in per barrel general and administrative during first quarter 2012 to be 29% lower than first quarter 2011.

Income (loss) on a quarterly basis often does not move directionally nor by the same amount as movements in funds flow from operations. This is primarily due to items of a non-cash nature that factor into the calculation of income (loss), which are required to be fair valued at each quarter end, such as unit-based compensation or the mark-to-market value of existing commodity pricing contracts.

Outlook

Eagle's 2012 guidance remains unchanged, with a capital budget of US$14 million (excluding any corporate and property acquisitions, which are evaluated separately on their own merits), average working interest production of 2,600 barrels of oil per day, funds flow from operations of $40 million at $88 WTI pricing, an estimated payout ratio of 50% at $88 WTI pricing and operating costs ranging from $11.25 to $11.75 per barrel. These figures are consistent with Eagle's guidance provided in its annual MD&A for the year ended December 31, 2011. Eagle intends to issue revised guidance once Eagle has closed the recently announced Permian Basin asset acquisition to reflect the additional capital investment and production Eagle expects to have from this acquisition.

Non-IFRS Financial Measures

Statements throughout this press release make reference to the terms "field netback" and "funds flow from operations" which are non-International Financial Reporting Standards ("**IFRS**") financial measures that do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Management believes that "field netback" and "funds flow from operations" provide useful information to investors and management since such measures 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. Field netback is calculated by subtracting royalties and operating costs from revenues. See the "Non-IFRS financial measures" section of the MD&A for a reconciliation of funds flow from operations and field netback to income for the period, the most directly comparable measure in the Trust's audited annual consolidated financial statements. Other financial data has been prepared in accordance with IFRS.

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 concerning the Trust's 2012 guidance including its capital budget, average working interest production, funds flow from operations, estimated payout ratio and operating costs.

In determining its 2012 capital budget, average working interest production, funds flow from operations, estimated payout ratio and operating costs, management has made assumptions relating to, among other things, anticipated future production from wells in the Salt Flat Field, regulatory approvals, future commodity prices, operating and capital costs, and United States/Canadian dollar exchange rates, the regulatory framework governing taxes and environmental matters in the United States and Texas, the ability to market future production, future capital expenditures and the geological and engineering reserves estimates in respect of the Salt Flat Field. 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, 2012 under the heading "Risk Factors".

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

Eagle Energy Trust is an 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 issuer profile at www.sedar.com and on the Trust's website at www.EagleEnergyTrust.com.

The Trust's units are traded on the Toronto Stock Exchange under the symbol EGL.UN.

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