



## **TRILOGY ENERGY TRUST**

Calgary, Alberta

March 17, 2009

### **NEWS RELEASE: TRILOGY ENERGY TRUST ANNOUNCES MARCH DISTRIBUTION AND PROVIDES MONTNEY DRILLING UPDATE**

#### **March Distribution**

Trilogy Energy Trust ("Trilogy" or the "Trust") (TSX – TET.UN) announces that its cash distribution for March 2009 will be \$0.05 per Trust Unit. The distribution is payable on April 15, 2009 to unitholders of record on March 31, 2009. The ex-distribution date is March 27, 2009.

#### **Montney Drilling Update**

Trilogy is pleased to provide a further update on its two most recently drilled horizontal wells targeting the Montney formation at Kaybob. Trilogy drilled its fifth operated, 100% working interest ("W.I."), horizontal well targeting the Montney formation in record time for Trilogy, resulting in the Trust incurring its lowest cost to date for a well of this type. The well was drilled to a total depth of 3490m in 16 days at a cost to drill and complete of approximately \$2.8 Million, being significantly lower than the anticipated cost to drill and complete of \$3.5 Million. The well was completed with a seven stage fracture stimulation and tested at a rate of 7 MMcf/d at a flowing pressure of 11.2 Mpa. Trilogy's sixth operated, 100% W.I., horizontal Montney well was drilled in 21 days and was also completed with a seven stage fracture stimulation with an all in cost to drill and complete of approximately \$3.2 Million. This well tested at 7.5 MMcf/d at a flowing pressure of 13.2 Mpa on March 14, 2009. The results from Trilogy's Montney horizontal drilling program continue to exceed its expectations.

The government of Alberta recently announced its three point energy incentive plan, which provides certain royalty incentives to wells drilled and/or brought on production after April 1, 2009 and before April 1, 2010; which will include Trilogy's two most recently drilled Montney wells. Further wells drilled during this period will qualify for a \$200/m drilling royalty credit which, in this case, totals approximately \$700,000 per well. At a maximum royalty rate of 5% under the plan, Trilogy anticipates that it will receive an additional royalty credit of \$625,000 per well assuming a \$5.00/mcf natural gas price for each well brought on production during this period. In some cases where the true vertical depth (TVD) of the Montney reservoir exceeds 2500m, Trilogy's horizontal Montney wells will also qualify for royalty reduction under the Natural Gas Deep Drilling Program which provides additional royalty relief, potentially totaling a further \$625,000 per well. Wells drilled over 4000m would be entitled to an additional \$2,125,000 in royalty relief. In light of these incentives, Trilogy is evaluating opportunities to reallocate its budgeted capital towards drilling operations, which is consistent with the government of Alberta's objective of putting additional Albertans to work.

## **About the Trust**

Trilogy is a petroleum and natural gas-focused Canadian energy trust that actively acquires, develops, produces and sells natural gas, crude oil and natural gas liquids for the generation of monthly cash distributions to its unitholders. Trilogy's Trust Units are listed on the Toronto Stock Exchange under the symbol "TET.UN".

## **Forward - looking information**

This news release contains statements concerning distributions to be paid by the Trust and the amount and timing thereof, Trilogy's plans for its Montney drilling program and the impact of changes to the government of Alberta's royalty regime on Trilogy's Montney drilling program. Such forward-looking statements or information are based on a number of assumptions, including current commodity price forecasts for petroleum and natural gas, current production forecasts, assumptions regarding royalties and expenses, drilling results consistent with expectations and general economic and business conditions, which may prove to be incorrect.

Although the Trust believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Trust can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Trust and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to: volatility of oil and gas prices, uncertainty in the amounts and timing of royalty payments and changes to royalty regimes and government regulations regarding royalty payments, fluctuations in currency and interest rates, risks inherent in the Trust's operations, the Trust's ability to access external sources of debt and equity capital, the Trust's ability to enter into or renew leases, uncertainties in obtaining regulatory approvals, imprecision in estimating the timing, costs and levels of production, the results of exploration, development and drilling, the Trust's ability to secure adequate product processing and transportation, the Trust's ability to retain and attract qualified personnel, uncertainty in the amounts and timing of royalty payments, imprecision in estimates of product sales, changes in the Trust's capital expenditure levels and plans, changes in environmental and other regulations or the interpretation of such regulations, weather and general economic and business conditions.

The forward-looking statements or information contained in this news release are made as of the date hereof and the Trust undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

For further information, please contact:

J.H.T. (Jim) Riddell, President and Chief Executive Officer  
M.G. (Mike) Kohut, Chief Financial Officer  
J. B. (John) Williams, Chief Operating Officer

Trilogy Energy Trust  
c/o Trilogy Energy Ltd.  
#1400, 332 – 6<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 0B2  
Phone: (403) 290-2900  
Fax: (403) 263-8915