

Daylight Resources Trust Converted into Daylight Energy Ltd.

Calgary, May 7, 2010 - (DAY.UN-TSX, DAY-TSX) Daylight Energy Ltd. ("Daylight" or the "Corporation") announced today that it has completed the previously announced plan of arrangement (the "Arrangement") involving Daylight, 1519008 Alberta Ltd. and Daylight Resources Trust (the "Trust"), pursuant to which, the Trust converted into the Corporation.

Unitholders of the Trust voted 99.7% in favour of the Arrangement at the annual and special meeting of unitholders held on May 6, 2010 (the "Meeting"). In accordance with the terms of the Arrangement, former unitholders of the Trust who have or will complete the letter of transmittal provided to such unitholders will receive common shares of Daylight on a one-for-one basis. In addition, as part of the Arrangement, the Trust was dissolved and the Corporation assumed all of the existing liabilities of the Trust, including the Trust's convertible debentures which are now convertible debentures of the Corporation. For further information regarding Daylight's conversion to a Corporation, please refer to the "Corporate Conversion Questions and Answers" section of our website at www.daylightenergy.com.

It is anticipated that the Corporation's common shares will commence trading on the Toronto Stock Exchange ("TSX") under the new trading symbol "DAY" on or about May 12, 2010, and the Corporation's convertible debentures will continue trading on the TSX under the symbols "DAY.DB.B", "DAY.DB.C" and "DAY.DB.D".

At the annual and special meeting of the Trust, unitholders also approved the Share Award Incentive Plan of Daylight and appointed Messrs. Fred Woods, Anthony Lambert, Dennis Chorney, Rick Orman, Gordon Stollery, Jeff Tonken, David Tuer and Graham Wilson as directors of the Corporation.

Daylight is a growing intermediate oil, liquids rich natural gas and natural gas producing company with a high quality suite of resource play assets in Western Canada. Daylight's highly focused team utilizes technical expertise in exploitation, development and acquisitions to create long-term value for shareholders. The Daylight team has developed a multi-year inventory of repeatable, low risk exploitation resource play projects with substantial potential reserve additions on assets owned and controlled in the premier Deep Basin area of Alberta and Northeast British Columbia. Daylight has approximately 175 million common shares currently outstanding which will trade on the TSX under the symbol DAY.

For further information, please contact:

Daylight Energy Ltd.

Anthony Lambert, President & CEO
Telephone: 403-213-5306
Email: alambert@daylightenergy.com

Steve Nielsen, Vice President & CFO
Telephone: 403-213-5312
Email: snielsen@daylightenergy.com

Ted Hanbury, Executive Vice President
Telephone: 403-770-6318
Email: thanbury@daylightenergy.com

Investor Relations: 403-536-4677
Investor Relations Toll free: 1-877-266-6901

www.daylightenergy.com
ir@daylightenergy.com

ADVISORY:

Forward-Looking Statements: Contained in this news release are forward-looking statements. The reader is cautioned that these statements represent management's expectations or beliefs concerning, among other things timing of the delisting of the trust units and listing of the Daylight common shares on the TSX. Although these assumptions are considered reasonable by Daylight at the time of preparation, they may prove to be incorrect. Actual events or results may differ materially. The projections, estimates and beliefs contained in such forward-looking statements are based on management's opinions and assumptions at the time the statements were made, and necessarily involve known and unknown risks and uncertainties which may cause actual results to differ materially from any projections of future results expressed or implied by such forward-looking statements, including those material risks discussed in the Trust's information circular and proxy statement dated April 7, 2010, and the Trust's Annual Information Form and MD&A under "Risk Factors". Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted. Daylight does not undertake to update any forward-looking statements contained in this press release whether as to new information, future events or otherwise except as required by securities rules and regulations.

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAW.