

Avenir Diversified Income Trust Releases US Tax Information

Calgary, Alberta – March 30, 2007

FOR IMMEDIATE RELEASE

Avenir Diversified Income Trust ("Avenir Trust" TSX: AVF.UN) today released information necessary for 2006 United States ("US") tax reporting. We believe for US Federal income tax purposes, that the units of Avenir Trust more likely than not will be properly classified as equity in a corporation, rather than debt, and that dividends paid to its individual US unitholders will more likely than not be qualified dividends. As such, the portion of the distributions made during 2006 that are considered dividends should qualify for the reduced rate of tax applicable to certain capital gains.

The portion of the trust distributions that is considered a dividend for US Federal income tax purposes is determined based upon the greater of Avenir Trust's current or accumulated earnings & profits ("E&P") as determined in accordance with US Federal income tax principles.

With respect to cash distribution paid 2006 to US individual unitholders, 100% should be reported as qualified dividends.

Monthly Distributions in Canadian Dollars:

Record Date	Payable Date	Distribution Amount/Unit	Qualified Dividends	Return of Capital
December 30, 2005	January 16, 2006	\$0.12	\$0.12	\$0.00
January 31, 2006	February 15, 2006	\$0.12	\$0.12	\$0.00
February 28, 2006	March 15, 2006	\$0.12	\$0.12	\$0.00
March 31, 2006	April 17, 2006	\$0.12	\$0.12	\$0.00
April 28, 2006	May 15, 2006	\$0.12	\$0.12	\$0.00
May 31, 2006	June 15, 2006	\$0.12	\$0.12	\$0.00
June 30, 2006	July 17, 2006	\$0.083	\$0.083	\$0.00
July 31, 2006	August 15, 2006	\$0.083	\$0.083	\$0.00
August 31, 2006	September 15, 2006	\$0.083	\$0.083	\$0.00
September 29, 2006	October 16, 2006	\$0.083	\$0.083	\$0.00
October 31, 2006	November 15, 2006	\$0.083	\$0.083	\$0.00
November 30, 2006	December 15, 2006	\$0.083	\$0.083	\$0.00
Total declared		\$1.218	\$1.218	\$0.00

The regular monthly calculations have been completed on a cash basis, and therefore include the distributions declared by the Avenir Trust in December 2005 payable January 16, 2006, up to and including the November 2006 distribution payable December 15, 2006. Total 'regular' monthly distributions declared for this period totalled \$1.218 per unit.



AVENIR DIVERSIFIED INCOME TRUST

Distribution of Essential Energy Services Trust (“ESN.UN”) Units to those on record May 30, 2006 in Canadian Dollars:

The spin-out of Avenir’s Energy Services Division was similar to a special distribution in the form of units of ESN.UN. The amount of the distribution received in respect of each Avenir unit held by an Avenir unitholder was equal to the fair market value of the ESN.UN units received by such unitholder. The finalized fair market value of an ESN.UN unit was determined to be C\$8.89, and this becomes the cost base of each ESN.UN unit received in the spin-out. Please note that following the audit of the 2006 Financial results, it has been determined that Avenir Trust cannot substantiate the classification of any portion of the Energy Services division spin-off as a non-taxable return of capital for US tax purposes and as such 100% of the Energy Services distribution has been classified as qualified dividends. Each Avenir unitholder, on the basis of receiving one ESN.UN unit for every two Avenir units held, effectively received a distribution equal to C\$4.445 (½ of \$8.89).

Of this ESN.UN special distribution, 100% or C\$4.445 is considered a qualified dividend.

The information contained herein is based on Avenir’s understanding of the US tax laws and is provided for general information purposes only. Unitholders should consult their tax advisors with respect to their particular circumstances.

Avenir Trust is not required to issue Form 1099-DIV’s; however, US unitholders may have previously received a Form 1099-DIV from a broker or intermediary that may not be correct and may not reflect Avenir Trust distributions as qualified dividends. As a result, US unitholder should consult their brokers and tax advisors to ensure that this information is accurately reflected on their tax returns. Brokers and/or intermediaries may or may not be required to issue amended Form 1099-DIV’s.

Avenir Trust is an income trust designed to provide sustainable distributions and growth from a diverse portfolio of operating assets in the sectors of energy, financial services and real estate. The resulting cash flow from these assets is distributed to unit holders on a monthly basis. The trust units of Avenir Trust trade on the TSX under the symbol AVF.UN. For further information on the Trust please go to our website at: www.avenirtrust.com.

For further information contact:

Avenir Diversified Income Trust
Suite 300, 808 – 1st Street S.W.
Calgary, Alberta T2P 1M9

Attention: William M. Gallacher or Michelle O’Grady
President and CEO Controller

Telephone: (403) 237-9949 Telephone: (403) 237-9949
Facsimile: (403) 237-0903 Facsimile: (403) 237-0903

The TSX Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The securities offered have not been and will not be registered under the United States Securities Act of



AVENIR DIVERSIFIED INCOME TRUST

1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Forward Looking Statements

Certain information regarding Avenir Diversified Income Trust set forth in this document, including management's assessment of the Trust's future plans and operations contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward looking statements are subject to numerous risks and uncertainties, some of which are beyond the Trust's and management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, imperfection of reserve estimates, environmental risks, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. The Trust's actual results, performance or achievement could differ materially from those expressed in or implied by, these forward looking statements and accordingly, no assurance can be given that any of the events anticipated to occur or transpire from the forward looking statements will provide what, if any benefits to the Trust.