



## Daylight Resources Trust – News Release

(DAY.UN – TSX)

### DAYLIGHT RESOURCES TRUST PROVIDES 2008 TAX INFORMATION FOR U.S. UNITHOLDERS

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CALGARY, February 23, 2009 (DAY.UN - TSX) Daylight Resources Trust ("Daylight") is pleased to provide 2008 tax information for its U.S. unitholders.

#### 2008 U.S. TAX INFORMATION

The following information is being provided to assist U.S. individual unitholders of Daylight in reporting on their Internal Revenue Service ("IRS") Form 1040, "U.S. Individual Income Tax Return" ("Form 1040") distributions received from Daylight in 2008.

***This summary is of a general nature only and is not intended to be legal or tax advice to any particular holder or potential holder of Daylight units. Holders or potential holders of Daylight units should consult their own legal and tax advisors as to their particular tax consequences of holding these units.***

#### Qualified Dividends

In consultation with its U.S. tax advisors, Daylight believes that its trust units should be properly classified as equity in a corporation, rather than debt, and that the portion of the distributions that are dividends paid to individual U.S. unitholders should be "qualified dividends" for U.S. federal income tax purposes. As such, the portion of the distributions made during 2008 that are considered dividends for U.S. federal income tax purposes should qualify for the reduced rate of tax applicable to long-term capital gains; however, the individual taxpayer's situation must be considered before making this determination.

***Daylight has not received an IRS letter ruling or a tax opinion from its tax advisors on these matters.***

Daylight is aware that a database established on behalf of a number of U.S. brokerage firms in the U.S. may not recognize Daylight and many other non-SEC registered foreign entities that do not issue common shares as "qualified foreign corporations". Accordingly, U.S. brokerage firms and other intermediaries may report a portion (or perhaps all) of Daylight's distributions received in 2008 as ordinary dividends. The IRS has provided guidance that they contemplate there will be situations where intermediaries may be required to report distributions as ordinary dividends on Form 1099-DIV although the U.S. taxpayer may be entitled to (and, therefore, should) report the distributions as qualified dividends. Likewise, they are also aware that there may be situations where the intermediaries report distributions as qualified dividends although the taxpayer knows they are not. In light of these potential differences, we have been advised by our U.S. tax advisors that the Form 1099-DIV reporting does not control how the taxpayer must report distributions.

Subject to the advice of a unitholder's legal and tax advisors, we recommend that this press release be referenced as support for the treatment of the 2008 distributions from Daylight as qualified dividends. Furthermore, unitholders may also wish to obtain a copy of a letter issued by KPMG LLP entitled "U.S. Investors in Canadian Income Trusts – Do Your Dividends Qualify for Low U.S. Tax Rate". A copy of the KPMG letter will be available on Daylight's website.

## **Daylight Units Held Outside of a Qualified Retirement Plan**

With respect to the distributions paid during 2008 to U.S. individual unitholders, 99.16% should be reported as a qualified dividend, with the remaining amounts being a return of capital.

The portion of the distributions treated as qualified dividends should be reported on Line 9b of Form 1040, unless the fact situation of the U.S. individual unitholders determines otherwise. Commentary on page 21 of the Form 1040 Instruction Booklet for 2008 with respect to qualified dividends provides examples of individual situations where the dividends would not be qualified dividends. Where, due to individual situations, the dividends are not qualified dividends, the amount should be reported on Schedule B – Part II – Ordinary Dividends and Line 9a of Form 1040.

For U.S. federal income tax purposes, in reporting a return of capital with respect to distributions received, U.S. unitholders are required to reduce the cost base of their trust units by the total amount of distributions received that represent a return of capital. This amount is non-taxable if it is a return of cost base in the trust units. If the full amount of the cost base has been recovered, any further return of capital distributions should be reported as capital gains.

U.S. unitholders are encouraged to utilize the Qualified Dividends and Capital Gain Tax Worksheet of Form 1040 to determine the amount of tax that may be otherwise applicable.

The taxable portion (for Canadian income tax purposes) of the distributions is subject to a minimum 15% Canadian withholding tax that is withheld prior to any payments being distributed to unitholders. The return of capital portion (for Canadian income tax purposes) of the distributions is also subject to a 15% withholding tax that is withheld prior to any payments being distributed to unitholders. Where trust units are held outside a qualified retirement account, the full amount of all withholding tax should be creditable, subject to numerous limitations, for U.S. tax purposes in the year in which the withholding taxes are withheld. Where trust units are held in a qualified retirement account, the same withholding taxes apply but the amount is not creditable for U.S. tax purposes.

The amount of Canadian tax withheld should be reported on Form 1116, "Foreign Tax Credit (Individual, Estate, or Trust)". Information regarding the amount of Canadian tax withheld in 2008 should be determined from your own records and is not available from Daylight. Amounts over withheld, if any, from Canada should be claimed as a refund from the Canada Revenue Agency no later than two years after the calendar year in which the payment was paid and should not be claimed as a credit against your U.S. income tax liability.

Investors should report their dividend income and capital gain (if any), and make adjustments to their tax basis in Daylight's units, in accordance with this information and subject to advice from their tax advisors. U.S. individual unitholders who hold their Daylight trust units through a stockbroker or other intermediary should receive tax reporting information from their stockbroker or other intermediary. We expect that the stockbroker or other intermediary will issue a Form 1099-DIV, "Dividends and Distributions" or a substitute form developed by the stockbroker or other intermediary. Daylight is not required to furnish such unitholders with Form 1099-DIV. Information on the Forms 1099-DIV issued by the brokers or other intermediaries may not accurately reflect the information in this press release for a variety of reasons. Investors should consult their brokers and tax advisors to ensure that the information presented here is accurately reflected on their tax returns. Brokers and/or intermediaries may or may not be required to issue amended Forms 1099-DIV.

## **Daylight Units Held Within a Qualified Retirement Plan**

No amounts are required to be reported on a Form 1040 where Daylight trust units are held within a qualified retirement plan.

## 2008 DISTRIBUTION INFORMATION FOR U.S. UNITHOLDERS (\$U.S./UNIT)

During 2008, for U.S. tax purposes, Daylight made cash distributions as outlined below.

Record Date	Payment Date	Distribution (\$CDN)	Conversion Rate <sup>(1)</sup>	Distribution	Taxable Qualified Dividend	Return of Capital
<b>Daylight Resources Trust</b>						
December 31, 2007	January 15, 2008	\$0.10	0.9834	\$0.098340	\$0.097514	\$0.000826
January 31, 2008	February 15, 2008	\$0.10	0.9984	\$0.099840	\$0.099001	\$0.000839
February 29, 2008	March 17, 2008	\$0.10	1.0022	\$0.100220	\$0.099378	\$0.000842
March 31, 2008	April 15, 2008	\$0.10	0.9822	\$0.098220	\$0.097395	\$0.000825
April 30, 2008	May 15, 2008	\$0.10	1.0002	\$0.100020	\$0.099180	\$0.000840
May 30, 2008	June 16, 2008	\$0.10	0.9793	\$0.097930	\$0.097107	\$0.000823
June 30, 2008	July 15, 2008	\$0.10	0.9980	\$0.099800	\$0.098962	\$0.000838
July 31, 2008	August 15, 2008	\$0.13	0.9426	\$0.122538	\$0.121509	\$0.001029
August 29, 2008	September 15, 2008	\$0.13	0.9366	\$0.121758	\$0.120735	\$0.001023
September 30, 2008	October 15, 2008	\$0.13	0.8473	\$0.110149	\$0.109224	\$0.000925
October 31, 2008	November 17, 2008	\$0.13	0.8189	\$0.106457	\$0.105563	\$0.000894
November 28, 2008	December 15, 2008	\$0.13	0.8096	\$0.105248	\$0.104364	\$0.000884
<b>Total Cash</b>		<b>\$1.35</b>		<b>\$1.260520</b>	<b>\$1.249932</b>	<b>\$0.010588</b>

(1) Bank of Canada Noon Rate

Daylight Resources Trust is a Calgary-based, open-ended, unincorporated investment trust with a high quality balanced natural gas and crude oil property base, extensive prospect inventory and large undeveloped land base that is managed by a team of highly skilled technical professionals. Daylight's properties include focused high potential assets in the Peace River Arch and West Central Alberta complemented by stable production and repeatable opportunities in Southern and Eastern Alberta. Daylight's prospect inventory includes both natural gas and crude oil opportunities with near, medium, long-term and high impact opportunities that will generate increased Unitholder value into the future. Daylight's large undeveloped land base will provide additional opportunities to create value through our highly skilled technical teams as well as through selective farmouts to targeted industry partners. Daylight has approximately 90 million Trust units currently outstanding which trade on the TSX under the symbol DAY.UN. Daylight Series A, Series B and Series C convertible debentures trade on the TSX under the symbols DAY.DB, DAY.DB.B, DAY.DB.C respectively.

**The information in this release is not meant to be an exhaustive discussion of all possible U.S. income tax considerations, but a general guideline and is not intended to be legal or tax advice to any particular holder or potential holder of Daylight units. Holders or potential holders of Daylight units should consult their own tax advisors as to their particular tax consequences of holding Daylight units. Daylight has not obtained a legal or tax opinion, nor has it requested a ruling from the IRS, on these matters.**

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