



DAYLIGHT
RESOURCES TRUST

**Oil Weighted – Cardium Focused
Strategic Acquisition of West Energy Ltd.
March 5, 2010**

Forward-Looking Statements



Forward-Looking Statements: This disclosure contains statements that constitute "forward-looking statements" and "forward-looking information" collectively "forward-looking statements" within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plan", "forecast", "intend" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this presentation contains forward-looking statements concerning: the transaction to acquire West Energy Ltd. (the "Transaction"), the completion of the Transaction and the outcome of the Transaction, including Transaction values and accretion, estimates of petroleum and natural gas production, reserves and resources, undeveloped land holdings, drilling inventory, business strategy, future development and growth opportunities, prospects and asset base; the anticipated benefits from the Transaction include future development and growth opportunities, future cash flows, debt levels, tax pools and positions, treatment under tax laws, and oil and natural gas prices.

The forward-looking statements in this presentation are based on certain key expectations and assumptions made by Daylight Resources Trust ("Daylight"), including expectations and assumptions concerning: prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, reserve and resource volumes, the performance of existing wells, the success obtained in drilling new wells, the inventory of future drilling locations, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services, and the receipt, in a timely manner, of regulatory, shareholder and third party approvals. Although Daylight believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Daylight can give no assurance that they will prove to be correct.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to the risks associated with the oil and gas industry in general such as: operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of reserve estimates, the uncertainty of estimates and projections relating to reserves, production, costs and expenses, health, safety and environmental risks, commodity price and exchange rate fluctuations, marketing and transportation of petroleum and natural gas and loss of markets, environmental risks, competition, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, ability to access sufficient capital from internal and external sources, failure to obtain required regulatory, shareholder and other third party approvals, and changes in legislation, including but not limited to tax laws, royalty rates and environmental regulations.

There are risks also inherent in the nature of the proposed Transaction, including: failure to realize anticipated synergies, risks regarding the integration of the two entities, incorrect assessments of the values of the other entity, and failure to obtain the required shareholder, court, regulatory and other third party approvals (or to do so in a timely manner). This presentation also contains forward-looking statements concerning the anticipated completion of the proposed Transaction and the anticipated timing for completion of the Transaction. Daylight has provided anticipated times in reliance on certain assumptions that they believe are reasonable at this time, including assumptions as to the time required to prepare and mail shareholder meeting materials, the timing of receipt of the necessary regulatory, court and other third party approvals, and the time necessary to satisfy the conditions to the closing of the Transaction. These dates may change for a number of reasons, including unforeseen delays in preparing meeting materials, inability to secure necessary regulatory, court or other third party approvals in the time assumed or the need for additional time to satisfy the conditions to the completion of the Transaction.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Daylight are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). The forward-looking statements contained in this presentation are made as of the date hereof and Daylight undertakes no obligation to update publicly or revise any forward-looking statements whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Strategic Acquisition Overview



- On March 5th, 2010, Daylight Resources Trust ("Daylight") announced the acquisition of West Energy Ltd. ("West") based on an exchange ratio of 0.465 per Daylight equity equivalent unit or \$5.50 cash for each West share, subject to West shareholder's approval.
- Daylight will issue 28.5 million units and will pay \$115 million in cash in exchange for West's outstanding shares.
- Based on the 10 day weighted average price of Daylight units ending March 4th, 2010, and including cash paid, West shareholders will receive an aggregate \$5.30 per share.
- This represents a premium of 25% to West's 10-day average price of \$4.24 per share ending March 4th, 2010.
- Total transaction is valued at \$570 million, including the assumption of net debt and transaction costs.
- Transaction benefits:
 - ✓ Increased oil leverage to 45% of pro forma production.
 - ✓ Accretive to cash flow per unit.
 - ✓ Adds over 40 highly prospective sections to Daylight's already large Cardium horizontal development land base.
 - ✓ Entry into a large original oil in place ("OOIP") Belly River oil pool with potential for improved recovery.

Transaction Highlights



➤ Operational Highlights of the Acquisition:

- ✓ Increased oil leverage to 45% of pro forma production.
- ✓ West's current production is 5,800 barrels of oil equivalent ("boe") per day, consisting of 81% light oil & natural gas liquids.
- ✓ Adds 2P reserves of 19.3 mmboe (Independent 3rd Party Engineering Report Dec 31, 2009).
- ✓ Increases working interest undeveloped land holdings to over 700,000 acres.

➤ Transaction Metrics (excluding land value):

- ✓ \$79,300/boe per day, based on total transaction consideration of approximately \$570 million and production of 5,800 boe per day.
- ✓ \$23.84/boe for 2P reserves, based on 19.3 mmboe.
- ✓ Recycle ratio of approximately 1.6 times.
- ✓ The transaction is approximately 5% cash flow accretive on a pro forma basis.

➤ Financial and Balance Sheet Highlights:

- ✓ Debt to cash flow ratio of 1.4x based on forecast net debt of ~\$400 million pro forma.
- ✓ Total tax pools of over \$1.7 billion.

Transaction Rationale



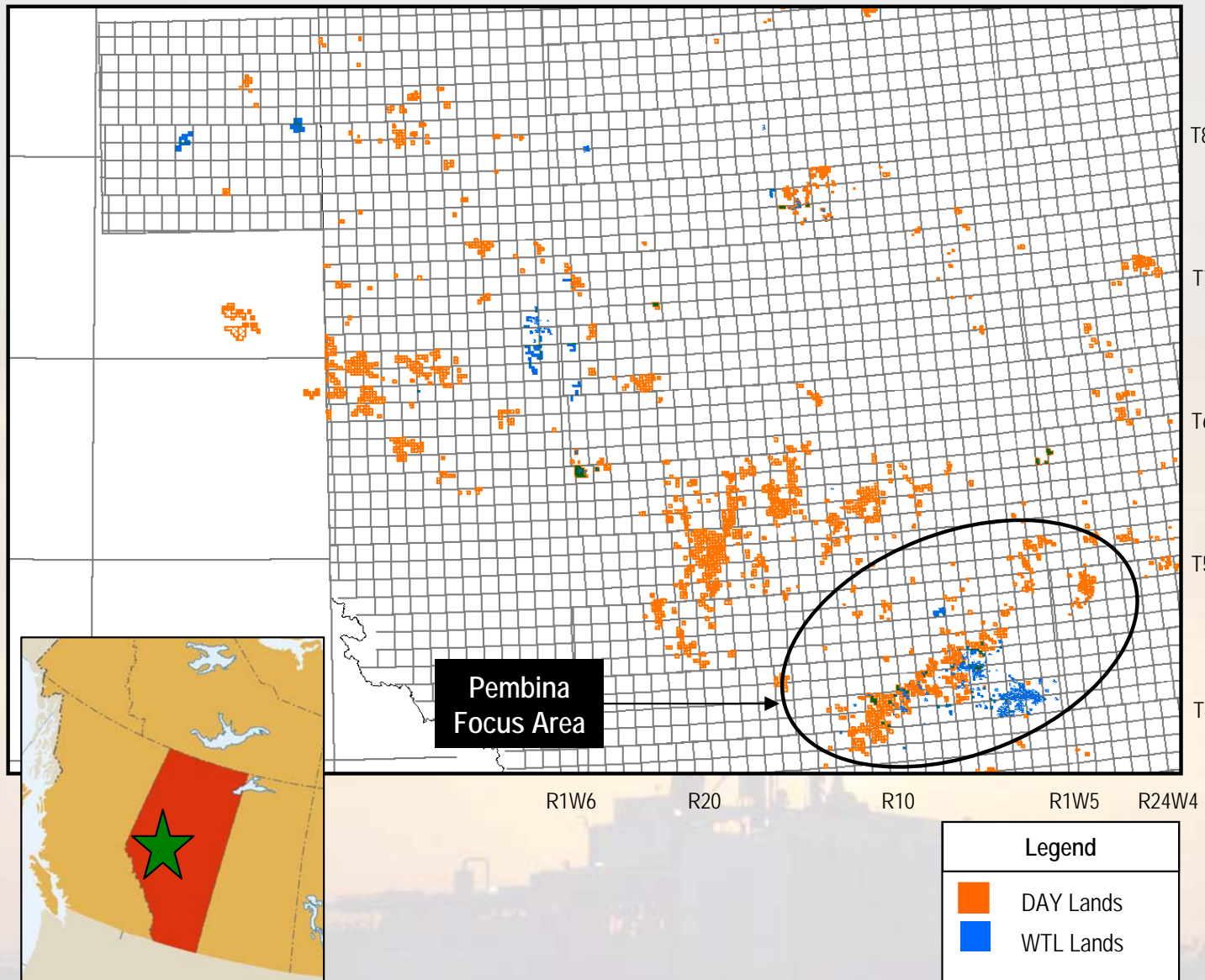
- **Substantial Increase to Pembina Cardium Opportunity:**
 - ✓ West has accumulated over 40 net sections of highly prospective Cardium oil rights in the Pembina area.
 - ✓ West has drilled 13 (10.1 net) horizontal Cardium light oil wells to date.
 - ✓ The first 7 (5.1 net) wells delivered an average 30-day IP rate of 200 boe per day.
- **Belly River Light Oil Opportunity:**
 - ✓ The Belly River oil pool (80% working interest) has a low decline rate, over 400 million barrels of OOIP and a recovery to date of less than 20%.
 - ✓ Several operators to the east have been experimenting with the same horizontal multi-frac technology used in the Cardium to develop similar Belly River oil pools. Daylight has been investigating the applicability of these technologies as well as enhanced recovery to increase production and reserves from this asset.
- **Operational Synergies:**
 - ✓ Over 90% of West's assets are located in the Pembina region of central Alberta where Daylight already has a significant presence.
 - ✓ Significant synergies exist in the Nisku light oil facilities and gathering systems of both companies. By combining these Daylight sees significant potential to reduce operating costs.

Transaction Details





- The Arrangement is expected to close in mid-to-late May 2010.
- Daylight will provide additional guidance with respect to the Trust's production and capital spending plans upon closing of the transaction.
- The completion of the arrangement is subject to customary TSX, court and regulatory approvals, as well as the approval of at least 66 2/3 percent of the votes cast by the West shareholders present, in person or by proxy, at the West shareholder's meeting.
- It is expected that the West shareholder's meeting to vote on the arrangement and closing will occur in mid-to-late May 2010. An information circular is expected to be mailed to shareholders of West in early April 2010.
- West has agreed to pay a non-completion fee of \$25 million to Daylight in certain circumstances. In addition, Daylight has the right to match any competing proposal for West in the event such a proposal is made.

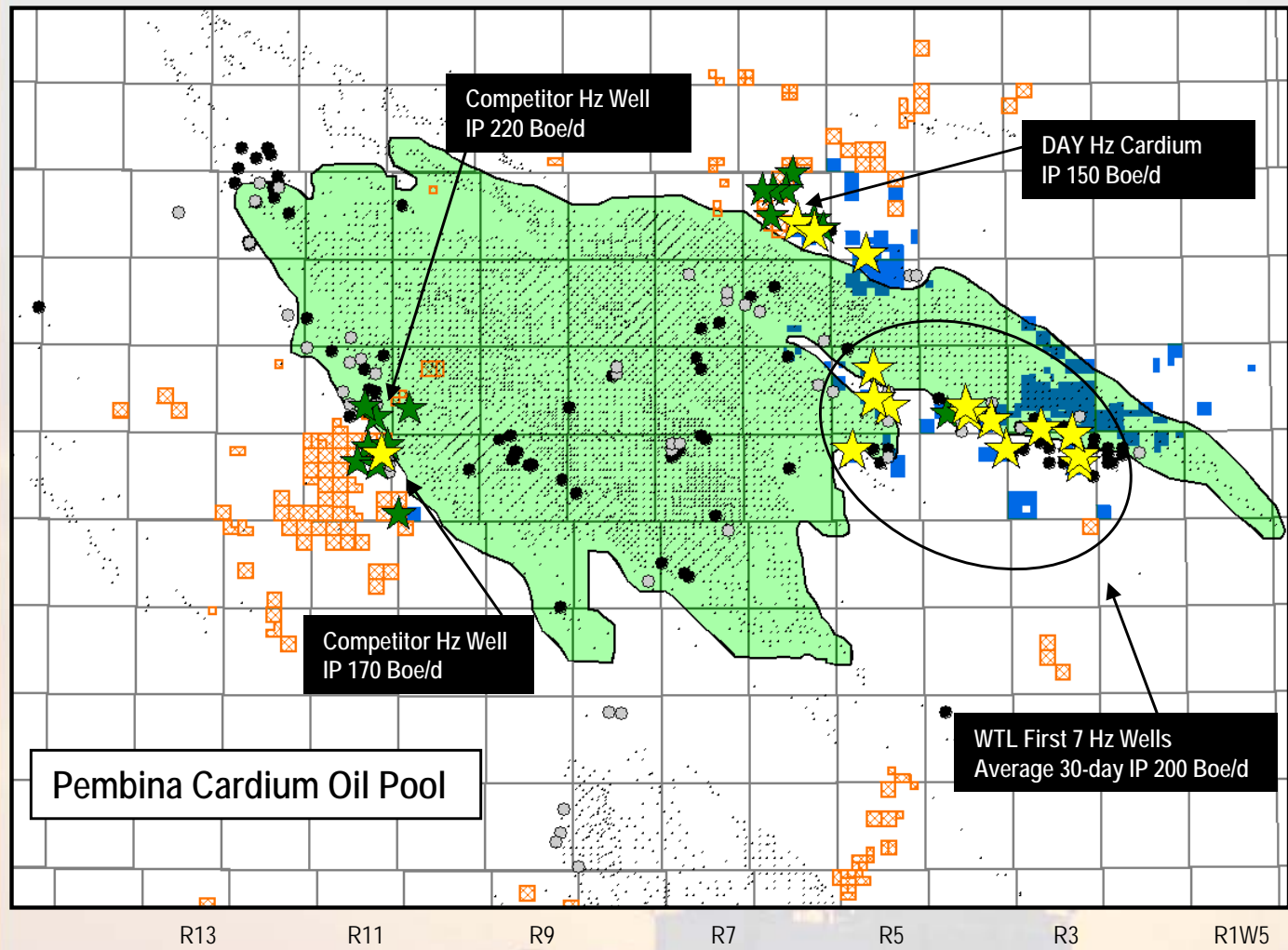
Focused Light Oil Weighted Assets Strong Synergy with Daylight



- Pembina producer
 - Over 90% of West's assets.
- Oil development upside
 - Cardium
 - Belly River
- Large oil in place
- High working interest

Legend	
	DAY Lands
	WTL Lands

Pembina Light Oil Focus Over 100 Net Sections Of Cardium Potential



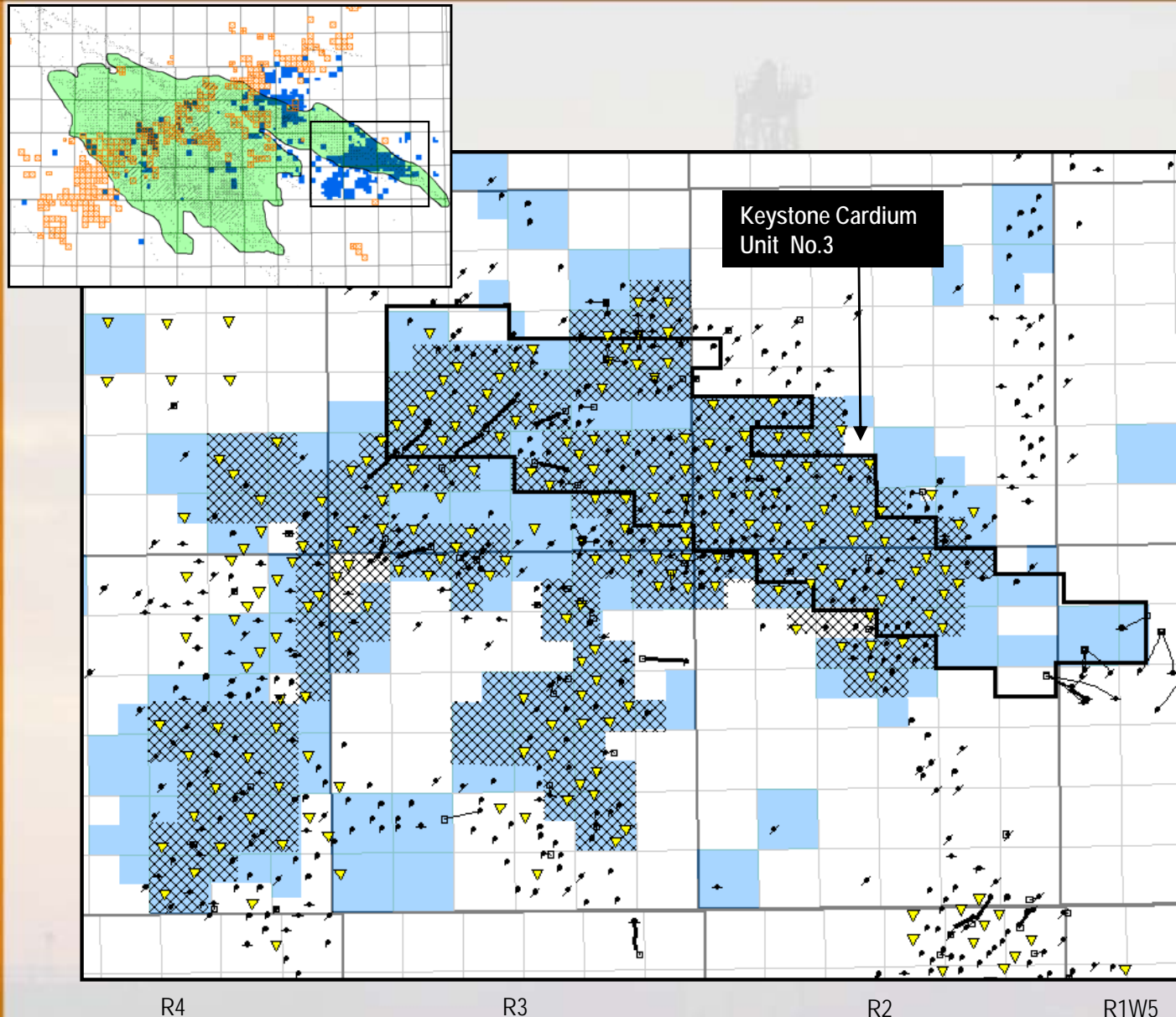
- High quality, high netback light oil production.
- Over 100 net sections of highly prospective Pembina Cardium land on a combined basis.
- 16 (13.1 net) wells drilled to-date.
- 6 rigs currently drilling.

Legend	
	DAY Cardium Rights
	WTL Cardium Rights
	DAY/WTL Hz Cardium
	DAY/WTL Hz Cardium Location
	Competitor Hz Cardium
	Competitor Hz Cardium Location




Source: Company reports.

Pembina Belly River Pool

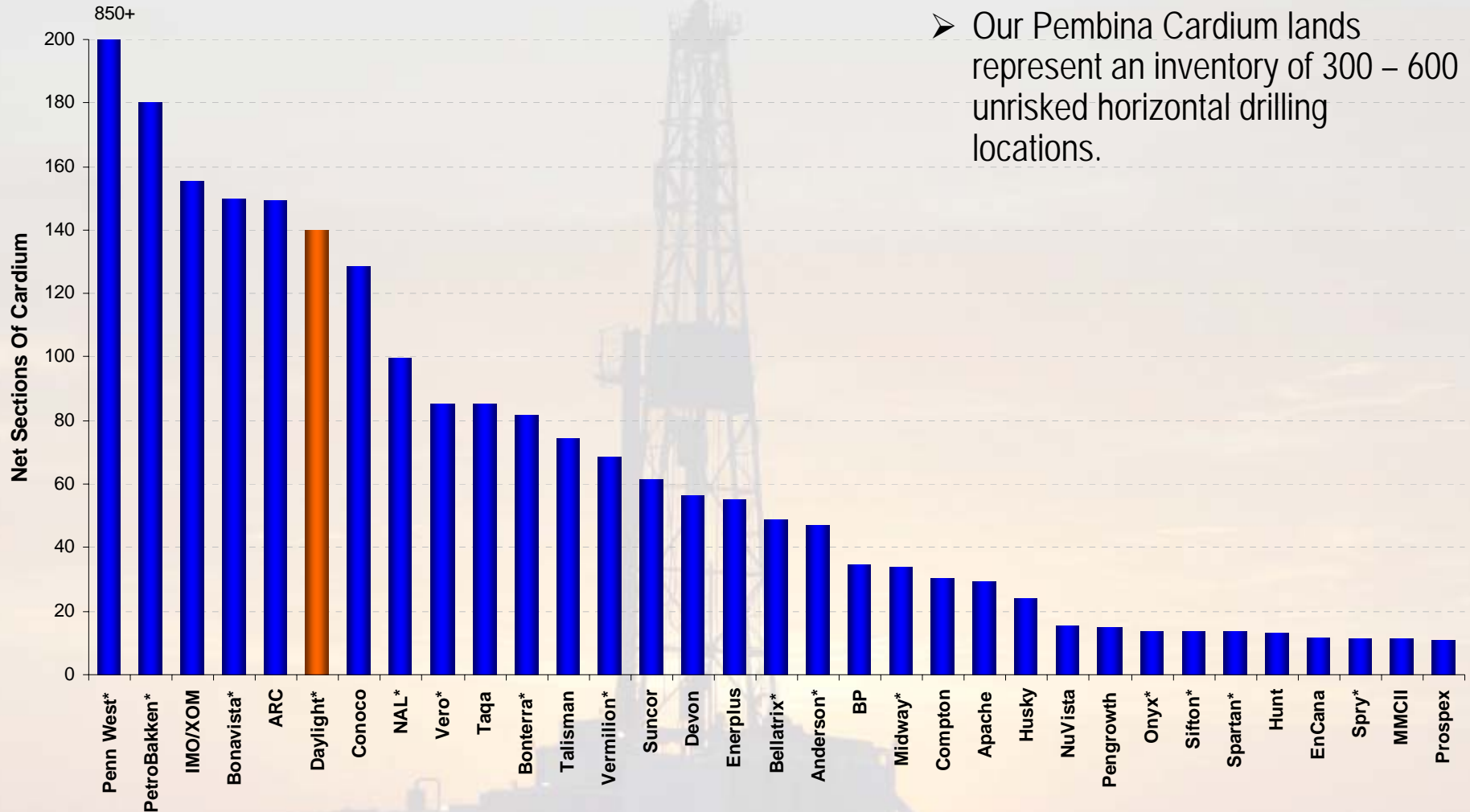
Large OOIP – Enhanced Oil Recovery Potential



- 80% WI in a 400 million bbl OOIP Belly River oil pool.
- Low decline rate and recovery factor to date.
- T48 ➤ Potential reserve & production gains from increased recovery factors.

Legend	
	WTL Lands
	Belly River Units
	Injection Well

Established Leading Cardium Position With 140 Net Sections



➤ Our Pembina Cardium lands represent an inventory of 300 – 600 unrisked horizontal drilling locations.

* Indicates a company estimate
Source: Macquarie Securities and Daylight Resources

Corporate Information



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