



Foundation Group Capital Trust Announces August Distribution

CALGARY, ALBERTA (August 31, 2011) – Foundation Group Capital Trust (“Foundation” or the “Trust”) announces to its investors that the Trustee has declared a quarterly distribution of \$0.08780 per trust unit. The distribution is for the three months ended July 31, 2011 and is payable on August 31, 2011 for unitholders of record as of July 21, 2011.

The Trustee set the distribution under the Deed of Trust dated November 20, 2009. Cash flows during the three months ended July 31, 2011 have been significantly reduced. During spring break up and the extended wet season, the Trust estimates that 60 bbl per day was shut in from May until July 2011. Although most of the wells have been returned to production, there are still some issues due to weather and equipment availability.

The Trust intends to designate this distribution as “return of capital” for Canadian income tax purposes unless a notification of change is otherwise provided to investors. Investors are encouraged to seek advice from a qualified tax advisor to obtain guidance with respect to appropriate tax treatment of their distributions.

For further information please contact:

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Reader Advisory

Forward-Looking Statements: *This news release contains forward-looking statements and forward-looking information 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”, “plans”, “intends”, “potential” and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking statements including but not limited to, management’s assessment of future plans and operations, growth expectations within the Trust, expected initial production rates for certain new wells, timing of completion of wells and of production additions, expected size of various plays, construction or expansion of facilities and the timing thereof and expected costs and the effects thereof, drilling plans and the effects thereof.*

Although the Trust believes that the expectations and assumptions on which such forward-looking statements and information are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Trust can give no assurance that such statements and information will prove to be correct. Since forward-looking statements and information 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, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportations, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserves estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources and other unforeseen conditions which could impact the use of services supplied by the Trust. Accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and 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.