

NEWS RELEASE

TSX: TKE.UN

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TKE Energy Trust Announces \$31.8 Million Bought Deal Equity Financing

Calgary, Alberta (TKE.UN — TSX) — TKE Energy Trust (the "Trust") is pleased to announce that it has entered into an agreement with a syndicate of underwriters to sell 2,900,000 Trust Units at \$10.95 per unit to raise gross proceeds of \$31,755,000.

The underwriting syndicate, led by CIBC World Markets Inc., also includes Orion Securities Inc., Canaccord Capital Corporation, Raymond James Ltd. and National Bank Financial Inc. The issue will be offered in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia and New Brunswick through a short form prospectus. Closing of the offering is expected to occur on or about March 22, 2005, subject to regulatory approval.

Net proceeds from the financing will be used to accelerate the Trust's ongoing capital expenditure program, repay outstanding borrowings under the Trust's existing credit facilities, and for general corporate purposes.

The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

TKE Energy Trust is a sustainable energy trust, currently producing approximately 4,200 boepd, with approximately 16 million trust units and 1.7 million exchangeable shares outstanding. The current distribution level is \$0.12 per unit per month (\$1.44 per unit annualized), which represents, assuming the conversion of all outstanding exchangeable shares, a payout level of approximately 65%. TKE Energy Trust aims to provide stable, consistent monthly distributions to its unitholders. For further information on TKE Energy Trust, please visit www.tketrust.com.

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Forward Looking Statements — Some of the statements contained in this news release are forward-looking statements. Forward-looking statements may include, but are not limited to, statements concerning estimates of recoverable hydrocarbons, expected hydrocarbon prices, expected costs, statements relating to the continued advancement of the Company's projects and other statements which are not historical facts. When used in this document, and in other published information of TUSK, the words such as "could," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are indicative of a forward-looking statement. Although TUSK believes that its expectations reflected in the forward-looking statements are reasonable, the potential results suggested by such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors, which could cause actual results to differ from these forward-looking statements, include the potential that TUSK's projects will experience technical and mechanical problems, geological conditions in the reservoir which may negatively impact levels of oil and gas production and changes in product prices and other risks not anticipated by TUSK or disclosed in TUSK's published material. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties

Barrels of Oil Equivalent — Boe may be misleading, particularly if used in isolation. A boe conversion ratio of six mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. The conversion ratio is an industry accepted norm and is not based on either energy content of current prices.