

NEWS RELEASE

TSX: TKE.UN

May 12, 2005

TKE Energy Trust Announces First Quarter Results

Calgary, Alberta, May 12, 2005 — **TKE Energy Trust** ("**TKE**" or the "**Trust**") confirms that the cash distribution for the month of May of \$0.12 per unit will be paid on June 15, 2005 to all unitholders of record as of May 31, 2005. The ex-distribution date for this payment is May 27, 2005. This will be the sixth monthly distribution payment of \$0.12 made by TKE since the formation of TKE Energy Trust in November, 2004.

TKE is a sustainable energy trust with approximately 19.6 million units and 1.1 million exchangeable shares issued and outstanding.

For further information please contact:

Norman W. Holton, Chairman & Chief Executive Officer
Gordon K. Case, Vice President, Finance & Chief Financial Officer
TKE Energy Trust
1950, 700-4th Avenue S.W.
Calgary, Alberta
T2P 3J4
Phone: (403) 264-8875

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.