

August 19, 2009

PRESS RELEASE

TRUE ENERGY TRUST ANNOUNCES PLAN TO CONVERT TO A GROWTH-ORIENTED E&P COMPANY

CALGARY, ALBERTA, August 19th, 2009 - True Energy Trust ("**True**" or the "**Trust** ") (TSX: TUI.UN) is pleased to announce that it plans to convert to a growth oriented, exploration and production company (the "**Reorganization**").

Details of the Reorganization

It is contemplated that the Reorganization will be undertaken pursuant to a plan of arrangement under the *Business Corporations Act* (Alberta). Pursuant to the Reorganization, holders ("**Unitholders**") of trust units of the Trust ("**Trust Units**") will receive common shares ("**Common Shares**") of a newly-formed corporation ("**Newco**") on the one-for-one basis. Holders of exchangeable shares (the "**Exchangeable Shares**") will exchange their Exchangeable Shares for Common Shares based on the current exchange ratio of the Exchangeable Shares. The Reorganization will result in Newco holding the assets and business operations previously held and operated by the Trust and its subsidiaries. All members of the Board of Directors and senior officers of True Energy Inc. ("**True Energy**") will continue as the directors and officers of Newco. The Reorganization will result in Newco having approximately 78.8 million Common Shares issued and outstanding after closing. It is not anticipated that Newco will, following the Reorganization, pay any dividends or distributions on its outstanding Common Shares.

The Reorganization will not trigger any change of control or other termination payments pursuant to any employment agreements or arrangements. In addition, the Reorganization will not trigger the acceleration of vesting of any outstanding incentive rights or options of the Trust (collectively the "**Options**") and following Reorganization outstanding Options will entitle the holders to acquire Common Shares of Newco in lieu of Trust Units on the same terms and conditions that exists prior to the Reorganization including as to exercise price, vesting and expiry dates. True's outstanding convertible debentures bearing an interest rate of 7.5% per annum will be assumed by Newco and will be convertible into Common Shares of Newco on the same basis, with no other change to the terms thereof.

The Reorganization will be structured to allow Unitholders and holders of Exchangeable Shares resident in Canada to receive Common Shares of Newco on a tax deferred basis for Canadian income tax purposes.

Rationale for Reorganization

Management and the Board of Directors of the Trust have investigated and considered various restructuring alternatives available to it and considered the Trust's strategic objectives to ensure the Trust's long-term viability and sustainability. Over the past year, management and the Board of Directors of the Trust have taken significant steps in restructuring the operations of the Trust including the following:

- Management is now comprised of a proven team of professional management in all key operational areas of the organization including a team experienced in providing organic growth through full cycle exploration, exploitation and development.
- Commencing in the first quarter of 2009, the Trust implemented a cost control strategy and has reduced operating expenses and general administrative expenses in excess of 30% from 2008 level.

- Production levels have been maintained, with minimal capital spent, by diligent field optimization programs designed to arrest declines.
- As recently announced, the Trust has completed the divestiture of a majority of its oil and natural gas assets in Saskatchewan, resulting in net proceeds of approximately of \$86 million, resulting in a significant reduction in net debt.
- On August 17, 2009, the Trust finalized new \$85 million credit facilities consisting of a \$10 million demand operating facility and a \$75 million extendable revolving term credit facility, with the borrowing base subject to redetermination on March 10, 2010.
- In February 2009, the Trust suspended distributions to Unitholders and no distributions have been made by the Trust since that date.

As a result of significant steps taken in 2008 and 2009 to improve its balance sheet by reducing outstanding indebtedness and streamlining its operating cost structure, the Trust now has the financial flexibility to pursue a business plan as a growth-oriented exploration and production company with a strong balance sheet.

Approvals and Timing

The Reorganization will be subject to receipt of all required regulatory, stock exchange and Court of Queen's Bench approvals as well as approval of at least 66⅔% of the votes by Unitholders and holders of Exchangeable Shares present and in person or by proxy in a duly convened special meeting (the "**Special Meeting**") of the Trust. It is anticipated that an information circular and proxy statement in connection with the Special Meeting will be mailed to securityholders of Trust in late September and that the Special Meeting will be held in late October. Subject to receiving all necessary approvals, closing of the Reorganization is expected to occur in late October.

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Forward Looking Statements: *Certain information set forth in this news release, including management's assessments of the future plans and operations, plans with respect to Reorganization, including the timing thereof, the approvals required, and the effect thereof may contain forward-looking statements, and necessarily involve risks and uncertainties, certain of which are beyond True's control, including risks associated with the timing of receipt of required regulatory approvals and whether all necessary regulatory, shareholder and other approvals are obtained in connection with the Reorganization, oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets and other economic and industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling services, incorrect assessment of value of acquisitions and failure to realize the benefits therefrom, delays resulting from or inability to obtain required regulatory approvals, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources and economic or industry condition changes. Actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that True or its securityholders will derive therefrom. Additional information on these and other factors that*

could affect True are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), at True's website (www.trueenergytrust.com). Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release, and True does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.