

NEWS RELEASE

TSX: TKE.UN

November 4, 2004

TKE Updates Activities

Calgary, Alberta, November 4, 2004 — TKE Energy Trust ("TKE") announces that the Units of TKE have been approved for listing on the Toronto Stock Exchange and will commence trading on November 5, 2004.

TKE Energy Trust was formed pursuant to a Plan of Arrangement (the "Arrangement"), approved at the special meeting of shareholders of TUSK Energy Inc. held October 28, 2004. TUSK shareholders voted 99.9% in favour of the resolution approving the Arrangement.

Pursuant to the Arrangement, TKE will issue approximately 15.9 million Units and 1.8 million shares exchangeable into Units of the Trust (the "Exchangeable Shares"). A total of 2,509,533 Exchangeable Shares were requested. Accordingly, the total requests for Exchangeable Shares will be prorated and investors will receive approximately 71% of the Exchangeable Shares requested.

The board of directors of TKE has approved an initial distribution of \$0.12 per month per Unit. The initial distribution will be made on January 15, 2005 to Unitholders of record as of December 31, 2004. The initial level of distributions to Unitholders represents, on an annualized basis, approximately 60% of projected 2005 cash flow.

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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 or current prices.