

NEWS RELEASE

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TKE Announces 2004 Year-End Reserves

Calgary, Alberta, February 21, 2005 — TKE Energy Trust ("TKE" or the "Trust") is pleased to provide estimates of its reserves as of December 31, 2004, the first since the reorganization of TUSK Energy Inc. by plan of arrangement into TKE Energy Trust and TUSK Energy Corporation which took effect on November 2, 2004.

HIGHLIGHTS

- Total Proved plus Probable reserves increased 10% to 15,028 Mboe after giving effect to the reorganization
- Reserves are 73% natural gas with the remainder being light oil (22%) with an average gravity of 32° API and natural gas liquids (5%)
- Discoveries, extensions and revisions equal to two times production for calendar 2004
- 2004 finding and development cost of approximately \$10
- Reserve Life Index (P+P) of 9.0 years based on forecast 2005 production from the engineering report

Reserve Additions

Reserves were added primarily at Columbia (gas), Dunvegan (gas), Gage (oil & gas), Hartaven (oil), Saddle Lake/Whitefish Lake (gas) and Thorhild (gas). Since the corporate entity formerly known as TUSK Energy Inc. continues within TKE Energy Trust, the November reorganization is treated as a disposition of certain properties to TUSK Energy Corporation.

2005 Development Activity

Early 2005 development activities will include the completion and tie-in of wells drilled late in 2004 at Gage and Saddle Lake and construction of new pipeline and facility infrastructure at Gage and Dunvegan. Further drilling is planned, primarily at Columbia, Gage, Hartaven, Saddle Lake/Whitefish Lake, Siksika and Thorhild during the balance of the 2005 fiscal year. TKE has approximately 92,000 net acres of undeveloped lands. Capital expenditures ("CAPEX") for the 2005 fiscal year will be approximately \$15 million.

Reserves

An independent evaluation of the reserves of TKE Energy Trust was prepared in accordance with

National Instrument 51-101. A detailed presentation of the results will be provided with the Annual Information Form which will be filed in the latter part of March.

The summary of the working interest reserves of TKE which is shown below is estimated before royalty burdens and is based on forecast prices and costs.

	Crude Oil	Natural Gas	Natural Gas Liquids	Total Equivalent
	[Mbbbl]	[Mbbbl]	[Mbbbl]	[Mbbbl]
Proved Producing	1,333	23,431	318	5,556
Proved Developed Non Producing	111	10,083	38	1,830
Proved Undeveloped	0	150	0	25
Total Proved	1,444	33,664	356	7,411
Probable	1,920	31,967	369	7,617
Proved + Probable	3,364	65,631	725	15,028

*Note: Columns may not add due to rounding

Current production is approximately 4,200 boepd with an estimated 600 boepd behind pipe and waiting on tie-in. Of this amount approximately 400 boepd will commence production during the latter part of March upon completion of the battery facility and flowlines at Gage. The engineering report forecast for production during 2005 is 4,590 boepd. More detailed information with respect to third party engineering and financial and operating information for the 2004 fiscal year will be released approximately March 18th.

The reserve life index ("RLI") of approximately 9 years is calculated by dividing the 2005 production forecast in the engineering report into the P+P reserves as of the effective date. Based upon our current rate of production RLI would be 9.8 years. RLI represents the years to produce the remaining reserves at the annualized production rate and it does not take into account the potential impact of the 2005 CAPEX.

The calculations of barrel of oil equivalent ("boe") are based on a conversion rate of six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of crude oil. Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

TKE is a sustainable energy trust with approximately 16 million units and 1.7 million exchangeable shares issued and outstanding. The current distribution level is \$0.12 per month (\$1.44 per year) which represents, assuming the conversion of all outstanding exchangeable shares, a payout level of approximately 65%.

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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.