

# TRUE ENERGY INC.

## Instrument of Proxy For Annual and Special Meeting of Shareholders

The undersigned shareholder of True Energy Inc. (the "Corporation") hereby appoints Paul R. Baay, President, Chief Executive Officer and a director of the Corporation, or failing him, W. C. Mickey Dunn, Corporate Secretary and a director of the Corporation, or instead of either of the foregoing, \_\_\_\_\_, as proxyholder of the undersigned, with full power of substitution, to attend and act and vote for and on behalf of the undersigned at the Annual and Special Meeting of the shareholders of the Corporation (the "Meeting"), to be held on June 13, 2001 and at any adjournment or adjournments thereof, and on every ballot that may take place in consequence thereof to the same extent and with the same powers as if the undersigned were personally present at the Meeting with authority to vote at the said proxyholders' discretion, except as otherwise specified below.

Without limiting the general powers hereby conferred, the undersigned hereby directs the said proxyholder to vote the shares represented by this instrument of proxy in the following manner:

1. **FOR**  or **AGAINST**  fixing the number of directors to be elected at the Meeting at seven;
2. **FOR**  or **WITHHOLD FROM VOTING FOR**  the election of directors as specified in the Information Circular - Proxy Statement of the Corporation dated May 4, 2001 (the "Information Circular");
3. **FOR**  or **WITHHOLD FROM VOTING FOR**  the appointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation for the ensuing year and the authorization of the directors to fix their remuneration as such;
4. **FOR**  or **AGAINST**  an ordinary resolution ratifying and approving an amendment to the Corporation's share option plan to increase the number of common shares issuable on exercise of stock options granted thereunder by 425,000 common shares, as more particularly described in the Information Circular; and
5. At the discretion of the said proxyholders, upon any amendment or variation of the above matters or any other matter that may be properly brought before the Meeting or any adjournment thereof in such manner as such proxy, in such proxyholder's sole judgment, may determine.

**This Instrument of Proxy is solicited on behalf of the management of the Corporation. The shares represented by this Instrument of Proxy will be voted and, where the shareholder has specified a choice with respect to the above matters, will be voted as directed above or, if no direction is given, will be voted in favour of the above matters.**

**Each shareholder has the right to appoint a proxyholder, other than the persons designated above, who need not be a shareholder, to attend and to act for him and on his behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the shareholder's appointee should be legibly printed in the blank space provided.**

The undersigned hereby revokes any proxies heretofore given.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
(signature of shareholder)

\_\_\_\_\_  
(name of shareholder - please print)

*(see over for notes)*

NOTES:

1. If the shareholder is a corporation, its corporate seal must be affixed or it must be signed by an officer or attorney thereof duly authorized.
2. This form of proxy must be dated and the signature hereon should be exactly the same as the name in which the shares are registered.
3. Persons signing as executors, administrators, trustees, etc., should so indicate and give their full title as such.
4. This instrument of proxy will not be valid and not be acted upon or voted unless it is completed as outlined herein and delivered to the attention of the Corporation's Secretary, c/o Computershare Trust Company of Canada, Stock Transfer Department, 6th Floor, Western Gas Tower, 530 - 8th Avenue S.W., Calgary, Alberta, T2P 3S8, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. A proxy is valid only at the meeting in respect of which it is given or any adjournment(s) of that meeting.
5. If not dated, this proxy shall be deemed to bear the date on which it was mailed to shareholders by the Corporation.