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News release via Canada NewsWire, Calgary 403-269-7605

Attention Business Editors:  
True Energy Inc. Announces Acquisition

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THE UNITED STATES.

CALGARY, June 18 /CNW/ - True Energy Inc. ("True") today announced that it has entered into an agreement with an arm's length third party to purchase certain petroleum and natural gas assets located in their core area in West Central Saskatchewan, specifically in the Kerrobert, Dodsland and Bayhurst areas (the "Acquisition"). After adjusting for certain price adjustments from the effective date of April 1, 2001, the net purchase price for the Acquisition will approximate \$14.25 million. Closing of the Acquisition is anticipated to be June 26, 2001, subject to regulatory approval.

Current production associated with the Acquisition is approximately 523 BOED, using a 6:1 conversion, (370 BOED using a 10:1 conversion) of which approximately 74% of the production is natural gas, 18% is light oil and the remaining 8% is heavy oil. Upon closing of the Acquisition, True's total production will be approximately 2,400 BOED (6:1) (1,770 BOED on a 10:1 basis).

An independent engineering report of the assets associated with the Acquisition effective April 1, 2001 assigned proved, producing reserves to these assets of 1,115 MBOE (6:1), total proven of 1,488 MBOE (6:1) and, on an established basis, 1,803 MBOE (6:1)e. On a 10:1 conversion basis, proved, producing reserves total 788 MBOE, total proven reserves aggregate 1,154 MBOE and 1,413 MBOE on an established basis.

The purchase also includes 150,000 gross non-producing acres (140,000 net to True), which True believes are prospective for exploitation and exploration drilling. These lands, which include a material component of fee simple lands, have been independently evaluated at \$7.7 million.

True will finance the purchase price with the previously announced private placement of Special Warrants, each of which will be exchangeable for one common share for no additional consideration, subject to adjustments in certain events. Closing of the financing is expected to occur on or about June 26, 2001.

The Special Warrants and the common shares issuable on exercise of the Special Warrants have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States or to a U.S. person, absent registration, or an applicable exemption therefrom.

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(TUI.)

CO: True Energy Inc.  
ST: Alberta  
IN: OIL  
SU: RLE

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