

c9435

r f BC-True-Energy-Gresham 07-31 0335

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

Attention Business Editors:

True Energy and Gresham Resources Complete Arrangement and
Announce Appointments

CALGARY, July 31 /CNW/ - True Energy Inc. ("True") and Gresham Resources Inc. ("Gresham") jointly report that the previously announced Arrangement involving True and Gresham became effective on July 31, 2002. Pursuant to the Arrangement, True acquired all of the issued and outstanding shares of Gresham on the basis of 1.4 common shares of True for each outstanding common share of Gresham. After giving effect to the Arrangement, True has approximately 45.1 million common shares issued and outstanding. As a result of the transaction True's current production is approximately 2,670 BOE/D, of which 67% is natural gas, and the Company has over 160,000 net acres of undeveloped land.

True was advised by FirstEnergy Capital Corp. on the transaction, while Gresham was advised by Jennings Capital Inc.

True also announces the appointment of Mr. Bradley D. Maynes as Vice President Exploration. Mr. Maynes has 18 years of oil and gas experience in the Western Canadian Sedimentary Basin. Mr. Maynes has specific experience in Alberta where True will be developing its second core area in proximity to the assets acquired under the Gresham transaction. Mr. James R. Glass has also joined the Board of Directors of True, effective concurrent with the closing of the Arrangement. Mr. Glass is a resident of British Columbia with a degree in geology and has served on the Gresham Board since Gresham's inception in 1987.

True's shares trade on The Toronto Stock Exchange under the symbol "TUI". True intends to make immediate application to delist the common shares of Gresham from the TSX Venture Exchange.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

%SEDAR: 00014985E

-0-

07/31/2002

/For further information: Paul Baay, President and CEO, or Sadiq Lalani, VP Finance & CFO, TRUE ENERGY INC., Tel.: (403) 266-8670, Fax: (403) 264-8163, Internet: www.trueenergy.ab.ca/
(TUI.)

CO: True Energy Inc.
ST: Alberta
IN: OIL
SU: TNM PER

-30-

CNW 17:29e 31-JUL-02