



For Immediate Release
TSX: TUI.UN

TRUE ENERGY TRUST ANNOUNCES NEW STRATEGIC DIRECTION, ASSET DIVESTITURE PROGRAM, INCREASED 2008 CAPITAL PROGRAM, CONFIRMS JANUARY DISTRIBUTION & SETS A NEW DISTRIBUTION LEVEL

Calgary, Alberta, December 17, 2007 – True Energy Trust (“True” or the “Trust”) announces a new strategic direction and increased 2008 capital program. As part of this strategy True plans to divest of its oil and natural gas assets in Saskatchewan and set a new distribution level.

New Strategic Direction

Through the divestiture of its Saskatchewan assets, True is taking steps which will significantly improve its balance sheet. The transaction, once completed, will provide the financial strength needed to implement an expanded capital program in 2008 and beyond. The new strategic direction will ensure an appropriate balance between cash flow, distributions to unitholders, capital expenditures and debt levels.

True believes the current environment is an excellent time to launch this initiative given the:

- repeatability of True’s drilling programs;
- potential for substantial improvement in True’s cost structure and operating netbacks;
- opportunities for expansion in West Central and Northern Alberta;
- expected longer term strengthening of natural gas prices; and
- ability for True to move forward with increased financial flexibility and be positioned to consider value adding acquisitions.

True believes that potential proceeds from the disposition of its Saskatchewan assets, at a time of historically high oil prices, will be sufficient to eliminate current bank indebtedness and provide the Trust with the ability to move forward with increased financial flexibility. With the increased financial strength, True would be positioned to consider value adding acquisitions and its preliminary outlook for 2008 would be as follows:

- After completion of the divestiture, 2008 production is forecast to be approximately 9,000 boe/d, comprised of 40,200 mcf/d of natural gas and 2,300 bbls/d of light/medium oil. True’s primary focus will initially be on assets located in West Central and Northern Alberta. True’s 2008 capital expenditure program would be increased from the currently planned \$40 million to approximately \$60 million. True expects to receive sufficient proceeds from the planned divestiture to eliminate its existing bank indebtedness and fund the increased capital program. The expanded drilling program in 2008 will initially focus on light oil opportunities and future plans would include increased drilling programs for 2009 through 2010. A portion of True’s capital program over 2008 to 2010 would include an exploration component. The planned 2008 exploration program of \$5 million includes the drilling of six 100% working interest wells in three areas.

- With the Trust's improved financial flexibility, True plans to seek opportunities to consolidate assets that complement its focused asset base either through geographic fit, technical expertise or future development potential.

Asset Divestiture

True intends to divest of its oil and natural gas assets in Saskatchewan including properties at Kerrobert, Mantario, and Smiley. The assets also include 275,000 net acres of land. Current production from the Saskatchewan properties is approximately 5,600 boe/d, including 13,000 mcf/d of natural gas.

True anticipates significant proceeds from the disposition of its Saskatchewan properties in a time of historically high oil prices and the current favorable royalty regime in Saskatchewan. Proceeds from the proposed divestiture will be utilized to eliminate True's bank indebtedness and to provide additional financial resources to develop its Alberta light oil and natural gas plays. True would continue to have approximately \$85 million in 7.5% convertible unsecured subordinated debentures ("Debentures") outstanding. The Debentures were issued on June 15, 2006, through a public offering and have a maturity date of June 30, 2011. The Debentures are convertible at any time at the option of the holders into trust units of the Trust at a conversion price of \$16 per Trust unit. The Trust will have the right to redeem all or a portion of the Debentures at a premium commencing after June 30, 2009 through to maturity.

Scotia Waterous Inc. ("Scotia Waterous") has been selected to act as True's exclusive advisor in this process. Detailed information with respect to the assets being offered for sale will be available for review through Scotia Waterous.

Distributions

True confirms that the cash distribution for the month of December will be \$0.08 per unit, to be paid on January 15, 2008 to all unitholders of record as at December 31, 2007. The ex-distribution date for this payment is December 27, 2007. This distribution announcement is consistent with the guidance provided in the news release dated October 15, 2007.

True Energy Trust also announces that the Board of Directors has set the distribution policy of the Trust for the first quarter of 2008 at a monthly distribution rate of \$0.04 per unit, subject to monthly confirmation by the Board of Directors, based on current commodity prices, hedging program, anticipated production volumes and market conditions. True anticipates that this reduction will allow the Trust's distributions to be sustainable in the current gas price, foreign exchange rate and cost environment. Based on the December 14, 2007 closing price of \$3.12 this represents an annualized yield of 15.4%.

| Distribution | Record Date | Ex-distribution Date | Payable Date |
|--------------------------------|--------------------|------------------------------|---------------------|
| \$0.08 per unit | Dec. 31, 2007 | Dec. 27, 2007 | Jan. 15, 2008 |
| \$0.04 per unit ⁽²⁾ | Jan. 31, 2008 | Jan. 29, 2008 ⁽¹⁾ | Feb. 15, 2008 |
| \$0.04 per unit ⁽²⁾ | Feb. 29, 2008 | Feb. 27, 2008 ⁽¹⁾ | Mar. 17, 2008 |
| \$0.04 per unit ⁽²⁾ | Mar. 31, 2008 | Mar. 27, 2008 ⁽¹⁾ | Apr. 15, 2008 |

⁽¹⁾ Anticipated ex-distribution dates for January, February and March. These dates are subject to change and/or confirmation by the Toronto Stock Exchange and will be confirmed by monthly press releases.

⁽²⁾ Based on True's current commodity prices, hedge positions, anticipated production volumes and market conditions and subject to change based on actual conditions.

True believes that by taking these steps, the characteristics of the focused asset base and the increased financial flexibility will enable the Trust to deliver long term returns to unitholders through ongoing yield and the potential for capital appreciation.

Personnel Announcements

Further to a press release dated November 8, 2007, True announced the appointment of Wayne M. Chorney as Chief Executive Officer and Director of True following the resignation of Paul R. Baay as True's Chairman and Chief Executive Officer. William C. (Mickey) Dunn reassumed his role as Chairman of the Board and Mr. Baay remained a director of True. Effective November 19, 2007, Paul R. Baay resigned from the Board. On behalf of the Board, True would like to thank Mr. Baay for his many years of dedicated service since founding True in September of 2000.

Conference Call

True will hold a conference call on Monday, December 17, 2007 at 2:00 PM MST/4:00 PM EST. To participate, please call toll-free 1-800-731-6941 or 416-644-3415. The conference call will also be recorded and available by calling 1-877-289-8525 or 416-640-1917 and entering passcode 21257332 followed by the # key.

A full presentation of True's 2008 forward plan and guidance will be posted at www.trueenergytrust.com in January 2008.

True Energy Trust is an exploration and production oil and gas trust based in Calgary, Alberta, Canada. True is powered by a diverse asset base and is focused on sustainable growth both in its people and in its properties.

For further information on True's new strategic plan, please contact:

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| Wayne M. Chorney President, CEO & COO (403) 750-2420 | Edward Brown Vice President, Finance & CFO (403) 750-2655 | Sacha Ravelli Manager, Investor Relations (403) 750-7085 |
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| Scott Koyich Investor Relations Consultant (403) 750-2428 | Troy Winsor Investor Relations Consultant (800) 663-8072 |
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For further information on the asset divestiture, please contact Scotia Waterous:

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| Paul Walmsley Managing Director (403) 218-6789 | Jeff Bowron Director (403) 261-2377 |
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Forward Looking Statements: *Certain information set forth in this news release, including management's assessments of the future plans and operations, True's planned disposition of Saskatchewan properties, the timing thereof, the use proceeds and the effect of the disposition on True's continuing operations, expected production levels, capital expenditure levels and the allocation thereof and wells to be drilled and distribution levels may contain forward-looking statements, and necessarily involve risks and uncertainties, certain of which are beyond True's control including, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets and other economic and industry*

conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling services, incorrect assessment of value of acquisitions and failure to realize the benefits therefrom, delays resulting from or inability to obtain required regulatory approvals, the lack of availability of qualified personnel or management, risks related to closing of dispositions, stock market volatility and ability to access sufficient capital from internal and external sources, economic or industry condition changes or the inability to dispose of the Saskatchewan properties for the anticipated proceeds or delay in doing so. Actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that True or its securityholders will derive therefrom. Additional information on these and other factors that could affect True are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), at True's website (www.trueenergytrust.com). Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release, and True does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.

BOE Disclosure: *Barrels of oil equivalent ("boe") 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.*