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PRESS RELEASE

For Immediate Release
January 20, 2005

**TRUE ENERGY INC. AGREES TO MAKE OFFER
TO ACQUIRE MERIDIAN ENERGY CORPORATION**

True Energy Inc. ("True") and Meridian Energy Corporation ("Meridian") are pleased to jointly announce that they have entered into an agreement pursuant to which True will, subject to certain conditions, make an offer (the "Offer") to acquire all of the outstanding common shares of Meridian ("Meridian Shares") on the basis of, at the election of the Meridian shareholder: (i) 0.91 common shares of True per Meridian Share; or (ii) \$3.85 in cash per Meridian Share; or (iii) a combination thereof, provided that the maximum aggregate amount of cash payable pursuant to the Offer shall be limited to \$30 million. The Offer will be subject to certain conditions, including the deposit of not less than 66 2/3% of the outstanding Meridian Shares (on a fully diluted basis), receipt of all required regulatory approvals and other customary conditions.

The Offer has the unanimous support of the board of directors of both True and Meridian. The board of directors of Meridian has concluded that the Offer is in the best interests of its shareholders and will recommend that Meridian Shareholders tender their Meridian Shares to the Offer. Holders of in excess of 16% of the fully diluted Meridian Shares, including all directors and officers of Meridian, have entered into lock-up agreements with True whereby they have agreed to tender their Meridian Shares to the Offer. Tristone Capital Inc. has acted as financial advisor to Meridian and has provided the board of directors of Meridian with their opinion that the consideration to be received pursuant to the Offer is fair, from a financial point of view. GMP Securities Inc. acted as financial advisor to True, along with FirstEnergy Capital Corp. as a strategic advisor.

Meridian has agreed to pay True a non-completion fee in the amount of \$5 million in certain circumstances if the Offer is not completed. Meridian has agreed to terminate any discussions with other parties and has agreed not to solicit or initiate discussion or negotiation with any third party with respect to alternate transactions involving Meridian and has granted True a right of first refusal to match any other proposals Meridian may receive.

Under the proposal, Mr. Raymond G. Smith, Chairman and CEO of Meridian, has agreed to join the board of directors of True upon the successful completion of the Offer.

Mr. Paul R. Baay, President and CEO of True says, "The Meridian team has successfully put together a focused set of operated and controlled multi-zone, liquids-rich gas assets complimentary to our West Central Alberta core area". He went on to say "with some 68 drilling opportunities in Meridian it will bring our current drilling inventory to just over 160 locations".

The key benefits of the Meridian properties include:

- Alberta production, in combination with that of True, of over 3,800 BOE/d; with total combined company production of approximately 9,200 BOE/d;
- Multi-zone, liquids-rich gas, providing high field operating netbacks;

- Main producing zones are Rock Creek, Ellerslie and Cardium;
- Historical operating costs averaging below \$5.50/BOE;
- Numerous development drilling locations in inventory; and,
- Owned and operated infrastructure.

Mr. Smith believes "the combination of the two companies results in an exploration and production company with the financial strength and production volumes of very few junior oil and gas companies today." He added "the resulting company is well positioned to take advantage of numerous opportunities in the current market."

At December 31, 2004, Meridian was producing approximately 2,700 BOE/d with 250 BOE/d behind pipe. The Meridian acquisition includes 34,560 gross acres of undeveloped land (22,246 net).

Based on an internal reserve evaluation prepared by Meridian effective October 1, 2004 using Sproule's November 30, 2004 pricing, Meridian had proved plus probable reserves of 7,635 Mboe.

After the completion of the Offer and assuming the cash component is fully taken up, True will have approximately 90.9 million shares outstanding (assuming exercise of all Meridian options) and anticipates net debt of the combined entities will be approximately \$66 million.

It is expected that the Offer will be mailed to Meridian shareholders in early February and will expire approximately 36 days thereafter.

True and Meridian are both Calgary-based oil and natural gas exploration and development companies. True's common shares trade on the Toronto Stock Exchange under the symbol "TUI". Meridian's common shares trade on the TSX Venture Exchange under the symbol "MDE".

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction. The common shares of True will not be and have not been registered under the *United States Securities Act of 1933*, as amended, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption therefrom.

For further information, please contact:

Paul R. Baay, President & CEO

Raymond G. Smith, Chairman & CEO

True Energy Inc.

2300, 530 – 8th Avenue S.W., Calgary, AB T2P 3S8
 Tel: (403) 750-1272
 Fax: (403) 264-8163
 Internet: www.trueenergy.ca

Meridian Energy Corporation

380, 435 – 4th Avenue S.W., Calgary, AB T2P 3A8
 Tel: (403) 531-1690
 Fax : (403) 261-7976
 Internet : www.meridianenergy.ca

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Statements in this press release may contain forward-looking information including expectations of future production and components of cash flow and earnings. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the company. These risks include, but are not limited to; the risks associated with the oil and gas industry, commodity prices and exchange rate changes. Industry related risks could include, but are not limited to; operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward looking information.

The reader is further cautioned that the preparation of financial statements in accordance with generally accepted accounting principles requires management to make certain judgements and estimates that affect the reported amounts of assets, liabilities, revenues and expenses. Estimating reserves is also critical to several accounting estimates and requires judgments and decisions based upon available geological, geophysical, engineering and economic data. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.