



For Immediate Release

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**TRUE ENERGY TRUST AND PRAIRIE SCHOONER ANNOUNCE
ADDITIONAL COMMODITY HEDGES AND MAILING OF INFORMATION CIRCULAR**

Calgary, Alberta, August 30, 2006 – Further to the previous announcement relating to True Energy Trust ("True" or the "Trust") entering into an agreement (the "Agreement") to acquire Prairie Schooner Petroleum Ltd. ("Prairie Schooner"), each of Prairie Schooner and True have entered into certain hedges in connection with their mutual covenant provided in the Agreement to hedge up to 30% of their respective current production during the winter on a mutually agreed basis. On August 1, 2006, True and Prairie Schooner jointly announced they had each entered into commodity contracts hedging a portion of their current production for the winter.

True further announces that it has entered into two additional hedge contracts. Under these contracts, True has purchased price floor (put) structures to manage commodity prices. Through the purchase of a price floor, True pays a premium to limit the exposure to downturns in commodity prices while fully participating in commodity price appreciation.

True has entered into an AECO natural gas put on 3,000 gigajoules per day (GJ) for the period November 1, 2006 through March 31, 2007 with a floor price of CDN\$8.00 per GJ. In addition, True has entered into a crude oil (WTI) put on 800 barrels of crude per day for the period January 1, 2007 through March 31, 2007 with a floor price of US\$70.00 per barrel.

With the entering into of these additional contracts combined with the previously announced hedge contracts approximately 30% of True's total current production on a barrel of oil equivalent (6to1) basis is now hedged for the winter period.

Prairie Schooner further announces that it has entered into two additional hedge contracts for the period November 1, 2006 through March 31, 2007. Prairie Schooner has entered into an AECO natural gas collar on 3,000 GJ per day for the period November 1, 2006 to March 31, 2007. The collar was transacted with a floor price of CDN\$8.50 per GJ and a ceiling price of CDN\$10.75 per GJ. In addition, Prairie Schooner entered into a 3,000 GJ fixed price swap for the period of November 1, 2006 to March 31, 2007 at a fixed price of CDN\$9.48 per GJ. With the addition of these contracts combined with the previously announced hedges approximately 30% of Prairie Schooner's total current production on a barrel of oil equivalent (6to1) basis is now hedged for the winter period.

The Trust and Prairie Schooner are also pleased to announce that Prairie Schooner's information circular and proxy statement (the "Information Circular") with respect to the previously announced plan of arrangement (the "Arrangement") pursuant to which the Trust will acquire all of the issued and outstanding shares of Prairie Schooner has been mailed to Prairie Schooner securityholders. The Information Circular contains details in respect of the Arrangement and is available on SEDAR (www.sedar.com) under Prairie Schooner's SEDAR profile. The special meeting of Prairie Schooner securityholders to vote on the Arrangement will be held on September 21, 2006 at 10:00 a.m. (Calgary time) (the "Meeting").

The Arrangement must be approved by 66 2/3% of the votes cast by Prairie Schooner securityholders at the Meeting and is also subject to the approval of the Court of Queen's Bench of Alberta and the receipt of other regulatory approvals. The Arrangement is expected to close on or about September 22, 2006.

All Prairie Schooner securityholders are encouraged to vote in person or by proxy at the Meeting. Prairie Schooner securityholders may contact Prairie Schooner's information agent, Kingsdale Shareholder Services Inc., toll free at 1-866-877-2571 for assistance in completing the forms of proxy and related documents.

For further information, please contact:

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