



**For Immediate Release**  
**TSX: TUI.UN**

**TRUE ENERGY TRUST ANNOUNCES \$75 MILLION OFFERING  
OF CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES**

Calgary, Alberta, May 25, 2006 – True Energy Trust ("True" or the "Trust") is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by CIBC World Markets Inc. and including Canaccord Capital Corporation, FirstEnergy Capital Corp., National Bank Financial Inc., GMP Securities L.P., Orion Securities Inc., Raymond James Ltd. and Scotia Capital Inc. to issue 75,000 Convertible Unsecured Subordinated Debentures (the "Debentures") on a bought deal basis at a price of \$1,000 per Debenture, representing gross proceeds of \$75,000,000.

The Debentures will bear an interest rate of 7.50% per annum, payable semi-annually in arrears on June 30 and December 31 each year commencing December 31, 2006. The Debentures will mature on June 30, 2011.

The Debentures will be convertible at any time at the option of the holders into trust units ("Trust Units") of True at a conversion price of \$16.00 per Trust Unit. After June 30, 2009, True will have the right to redeem all or a portion of the Debentures at a premium to the principal amount plus accrued interest. In certain circumstances, True will have the ability to pay principal under the Debentures through the issuance of Trust Units.

The Debentures will be offered in all provinces of Canada, except Prince Edward Island and Newfoundland through a short form prospectus, and via private placement in the United States under Rule 144A. Closing of the offering is expected to occur on or about June 15, 2006, subject to satisfaction of customary conditions including receipt of all necessary regulatory approvals.

Net proceeds from the financing will be used to reduce outstanding borrowings under True's existing credit facilities, to fund True's 2006 capital program and for general corporate purposes.

The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

*True Energy Trust is a sustainable oil and gas trust. Trust units of the Trust are traded on the Toronto Stock Exchange under the symbol "TUI.UN".*

*ADVISORY: This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated closing date of the offering and the anticipated use of the net proceeds of the offering. Although True believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because True can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties.*

*The closing of the offering could be delayed if True is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned. The offering will not be completed at all if these approvals are not obtained or some other condition to the closing is not satisfied. Accordingly, there is a risk that the offering will not be completed within the anticipated time or at all.*

*The intended use of the net proceeds of the offering by True might change if the board of directors of True Energy Inc., the administrator of True, determines that it would be in the best interests of True to deploy the proceeds for some other purpose, such as an acquisition.*

*The forward-looking statements contained in this press release are made as of the date hereof and True undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

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