

For Immediate Release  
TSX: TUI

## **True Energy Reports Fourth Quarter 2004 Drilling Results, Production Update and Senior Management Changes**

**Calgary, AB, January 11, 2005 – True Energy Inc. (“True” or the “Company”)** announced today the results of its fourth quarter 2004 drilling program. During the quarter True achieved a 100% success rate in the drilling or participation in 23 (18.9 net) wells, resulting in 17 (13.3 net) natural gas wells, 5 (4.6 net) heavy oil wells, and 1 (1.0 net) light oil well. The Company participated or drilled 8 (4.9 net) wells in Alberta, and drilled 15 (14.0 net) wells in Saskatchewan.

In 2004, True has drilled 89 (73.9 net) wells with a net success rate of 93%, of which 64 (55.0 net) were gas wells, 15 (11.6 net) were heavy oil wells, 2 (2.0 net) were light oil wells, and 8 (5.3 net) were dry and abandoned. In the year, 66 (62.0 net) wells were drilled in Saskatchewan and 23 (11.9 net) wells were drilled in Alberta. True’s 2005 drilling program is underway in both Saskatchewan and Alberta.

### **CURRENT PRODUCTION**

The Company’s current production is approximately 6,500 BOE/d, based on field estimates, weighted approximately 66% toward natural gas. Alberta production of natural gas makes up 16% of total company volumes. Eighteen (17.7 net) Saskatchewan wells and 7 (4.4 net) Alberta wells from the 2004 drilling program remain to be tied-in. True completed the construction of a new 5 mmcf/d capacity natural gas facility in the Dodsland area of Saskatchewan at the end of 2004, allowing for accommodation of additional volumes and the redirection of production from non-Company owned facilities.

### **SENIOR MANAGEMENT CHANGES**

The Company also announced that Mr. Brad Maynes who was Vice President, Exploration has left the Company to pursue another opportunity within the oil and gas sector. Mr. Kevin Yakiwchuk, P.Geol., has been appointed Vice President, Exploration. Mr. Yakiwchuk holds an MSc., Geology from the University of Alberta. Prior to joining the Company in 2001, Kevin worked at Gulf Canada Ltd., Renaissance Energy Ltd. and Shell Canada Ltd.

The Company also promoted Mr. Ian Ross, P. Land, to Vice President, Land; Mr. Ross joined the Company in 2001 and prior to that worked at Conoco Canada Limited and Crestar Energy Inc.

“Both Kevin and Ian have been an integral part of True’s success to-date, and it is rewarding to increase their scope and responsibility as the Company continues to move forward,” said Paul Baay, President and Chief Executive Officer.

True Energy Inc. is a Calgary-based oil and natural gas exploration and development company. The Company’s shares trade on the Toronto Stock Exchange under the symbol TUI.

#### **READER ADVISORY**

BOEs 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.

Statements in this document 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.

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