



TSX Symbol: TSK
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NEWS RELEASE
TUSK CLOSES \$3 MILLION PRIVATE PLACEMENT

Calgary, Alberta, November 25, 2004 – **TUSK Energy Corporation ("TUSK")** announces that the private placement of 3,000,000 common shares, contemplated in the Plan of Arrangement which led to the formation of TUSK as a new exploration focused producer, was closed on November 24, 2004. The shares are subject to a four month hold period. Gross and net proceeds were \$3 million. TUSK now has approximately 20.7 million common shares issued and outstanding.

The bought deal brokered private placement for the issue of 5.5 million common shares at \$2.15 and 1.87 million flow-through common shares at \$2.65 for gross proceeds of \$16.78 million, which was announced on November 15th, is scheduled to close on or about December 1st. This financing arrangement was made with a syndicate of underwriters led by Orion Securities Inc. and including Raymond James Ltd., Peters & Co. Limited and Canaccord Capital Corporation. Upon the closing of the brokered private placement, TUSK will have approximately 28.1 million common shares issued and outstanding.

TUSK is a new exploration focused producer whose primary areas of activity are northwestern Alberta and northeast British Columbia. TUSK expects to participate in the drilling of up to 15 wells prior to March 31, 2005.

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Forward Looking Statements - *Some of the statements contained in this news release are forward-looking statements. Forward-looking statements may include, but are not limited to, statements concerning estimates of recoverable hydrocarbons, expected hydrocarbon prices, expected costs, statements relating to the continued advancement of the Company's projects and other statements which are not historical facts. When used in this document, and in other published information of TUSK, the words such as "could," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are indicative of a forward-looking statement. Although TUSK believes that its expectations reflected in the forward-looking statements are reasonable, the potential results suggested by such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors, which could cause actual results to differ from these forward-looking statements, include the potential that TUSK's projects will experience technical and mechanical problems, geological conditions in the reservoir which may negatively impact levels of oil and gas production and changes in product prices and other risks not anticipated by TUSK or disclosed in TUSK's published material. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties.*



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