



*Not for dissemination to newswire services in the United States  
or for dissemination in the United States*

**TSX Symbol: TSK  
December 30, 2005**

**NEWS RELEASE  
FINAL PROSPECTUS FILED**

Calgary, Alberta, December 30, 2005 – **TUSK Energy Corporation ("TUSK")** announces that it has filed a final prospectus with securities regulators in British Columbia, Ontario and Alberta and was issued a receipt therefore qualifying for distribution 5,385,000 common shares of TUSK issuable upon the exercise or deemed exercise of Special Warrants. The Special Warrants were issued on December 5, 2005 upon the closing of a "bought deal" private placement arranged through a syndicate of underwriters led by Orion Securities Inc. and including Westwind Partners Inc., Canaccord Capital Corporation, Acumen Capital Partners and Brant Securities Ltd. TUSK issued 3,100,000 class A special warrants at \$4.05 and 2,285,000 class B special warrants issued on a flow-through basis at \$5.25 (collectively, the "**Special Warrants**") for aggregate gross proceeds of \$24,551,250.

Each Special Warrant entitles the holder to acquire, at no additional cost, one common share of TUSK, to be issued on the exercise or deemed exercise of the Special Warrants pursuant to the terms of the special warrant indenture governing the Special Warrants. Each Special Warrant will be deemed to be exercised on January 9, 2005 being the date which is the fifth business day after the date of issuance of the receipt by the securities commissions in the provinces of Alberta, British Columbia and Ontario.

Gross proceeds from the sale of the class B flow-through special warrants will be used to incur Canadian Exploration Expense ("CEE") which will be renounced to investors in class B flow-through special warrants.

The major focus area for TUSK is the Mega/Venus area of northwest Alberta. Drilling operations are expected to commence in the Mega/Venus in the next few days.

**TUSK CONTACTS:**

Norman W. Holton  
Chairman and Chief Executive Officer      OR  
Phone: (403) 264-8875

Gordon K. Case  
Vice President, Finance & Chief Financial Officer  
Phone: (403) 264-8875

***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.***



1900, 700-4<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 3J4  
Phone: 403-264-8875 Fax: 403-264-8861 [www.tusk-energy.com](http://www.tusk-energy.com)