



TUSK Energy Closes Business Combination Changes of Year End

Calgary, Alberta, December 22, 2006 – TUSK Energy Corporation (TSX: TSK) ("**TUSK**") is pleased to announce that it has closed its business combination with Zenas Energy Corp. ("**Zenas**"). As previously announced (November 13, 2006), TUSK and Zenas entered into an Arrangement Agreement that provided for the combination of TUSK and Zenas to occur through a plan of arrangement (the "**Arrangement**") under the *Business Corporations Act* (Alberta). Articles of Arrangement will be filed today with the Registrar of Corporations so that the effective date (the "**Effective Date**") of the Arrangement will be December 31, 2006. At that time, TUSK will own all of the issued and outstanding shares of Zenas. On January 1, 2007, TUSK will amalgamate with Zenas and continue to carry on business as TUSK Energy Corporation.

Effective today, Norman W. Holton resigned as Chief Executive Officer of TUSK and John R. Rooney, President and Chief Executive Officer of Zenas, assumed that position. Mr. Holton will continue to be the Chairman of the board of directors of TUSK. In connection with the closing, Earl T. Hickok and Jeffrey W. C. Arsenych resigned from the TUSK board of directors and Messrs John R. Rooney, James S. Artindale, Michael M. Machalski and David R. MacKenzie (all currently directors or officers of Zenas) became directors of TUSK.

In conjunction with the business combination with Zenas, TUSK will change its fiscal year end to December 31st (from March 31st) and will report on a fiscal period for the nine months ended December 31, 2006. An income tax year end will be triggered by the amalgamation of Zenas and the planned change will align both the fiscal and income tax year ends.

For Further Information Contact:

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