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NAL OIL & GAS TRUST ENTERS INTO ARRANGEMENT AGREEMENT TO ACQUIRE BREAKER ENERGY LTD.

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CALGARY / Marketwire / - NAL Oil & Gas Trust (the "Trust" or "NAL") (TSX: NAE.UN) and Breaker Energy Ltd. ("Breaker") (TSX: WAV) jointly announce that they have entered into an arrangement agreement (the "Arrangement Agreement") pursuant to which NAL will acquire all of the issued and outstanding common shares of Breaker (the "Transaction") by way of Plan of Arrangement under the *Business Corporations Act* (Alberta) (the "Arrangement"). The total consideration for the Transaction is approximately \$403 million which will be paid through the issuance of approximately 24.7 million trust units of the Trust representing \$310 million at a deemed price of \$12.54 per trust unit and the assumption of an estimated \$93 million in Breaker net debt. Based on an exchange ratio of 0.475 NAL trust units for each Breaker common share, the consideration represents a price of approximately \$5.96 per Breaker common share and a 12% premium using the preceding 20-day volume weighted average trading prices for Breaker common shares and NAL units. This transaction is expected to close on or about December 10, 2009.

NAL's President and CEO, Mr. Andrew Wiswell commented: "The acquisition of Breaker represents another significant step in the repositioning of NAL to convert to a corporation in 2011. Our game plan has been to add quality assets with upside opportunity through internal investment and acquisitions, and Breaker certainly fits this direction. Upon completing the acquisition of Breaker, NAL will have finalized four significant transactions in 2009, all of which have enhanced NAL's portfolio. Other transactions this year include the Cardium oil joint venture, the acquisition of Alberta Clipper, and the acquisition of Spearpoint Energy."

Mr. Dan O'Neil, President and CEO of Breaker Energy, commented "Breaker has achieved significant growth over the past five years, assembling a high quality, long life asset base which is over 90% operated and has tremendous upside potential. Our asset base, which is currently weighted 45% to oil, is a great fit to NAL's current asset base. Our assets under the financial position of NAL will allow the combined entity to high-grade its opportunities and fully develop and expand Breaker's potential in a timely manner." The Board of Directors of Breaker unanimously supports the Transaction.

A presentation containing corporate maps and transaction highlights is available on NAL's website at: www.nal.ca.

PROFORMA SUMMARY

	BREAKER¹	NAL	PROFORMA
2009 Avg. Production (boe/d)	6,700	23,500 ²	30,200
Production Weighting (%)			
Oil / NGL	45	52	50
Natural Gas	55	48	50
Reserves (MMboe)			
Proved	12	51	63
Probable	11	22	33
Proved plus Probable	23	73	96
Net Undeveloped Land ('000)	140	410	550
Tax Pools (\$MM)	270 ³	936	1,206

Notes: 1) NAL internal estimates; 2) Mid-point of 2009 full year guidance; 3) As at June 30, 2009.

KEY ACQUISITION BENEFITS

- Broadens NAL's opportunity base by adding two new core areas at oil-focused Irricana in central Alberta and the Fireweed natural gas property in northeast British Columbia which, together, represent 60-65% of Breaker's current production. Breaker also has production and attractive opportunities at Girouxville, East Prairie and Provost.
- Provides a significant inventory of low risk development opportunities which are complementary to NAL's horizontal drilling experience in Saskatchewan and with the multi-stage frac applications in the Cardium play in central Alberta. Breaker's assets are characterized by significant resources in place with low current recovery factors and the opportunity to increase recovery factors over time.
- Operated production (over 90%) with high working interest.
- Production of 6,700 boe/d, 45% weighted toward oil and liquids.
- Adds 23 million boe of proved plus probable reserves – a 32% increase over NAL's current reserve base with future potential to add incremental reserves in all areas.
- Contributes approximately 140,000 net undeveloped acres – a 34% increase over NAL's current undeveloped land inventory.
- Maintains NAL's balance sheet strength and flexibility to pursue future acquisitions.
- The Transaction is accretive to cash flow, production, reserves and net asset value on a per unit basis while increasing the Trust's proved and probable reserve life index ("RLI").

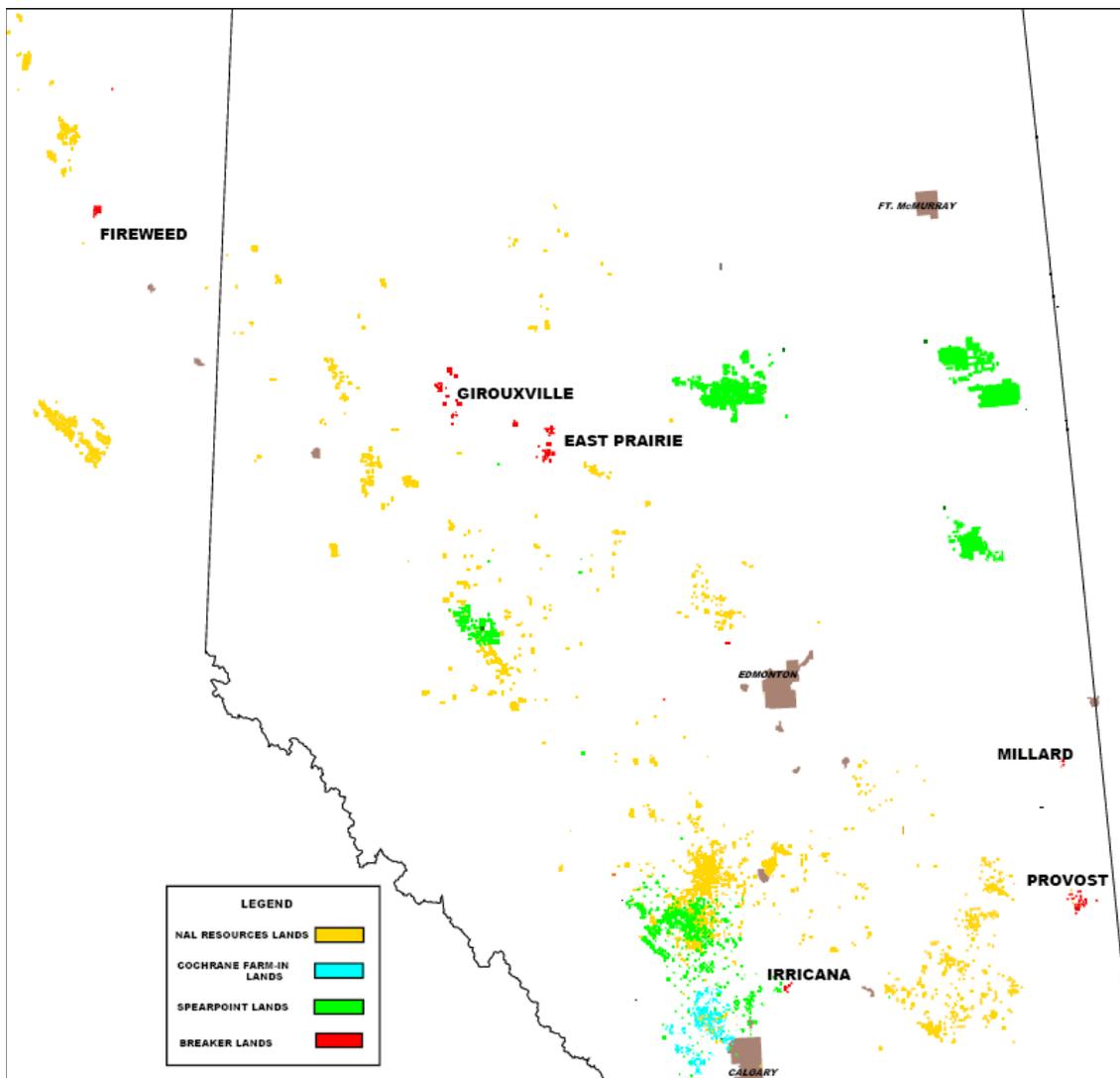
ASSET DESCRIPTION

Breaker has identified approximately 400 (350 net) low risk development prospects including 190 horizontal resource style locations.

More specifically, production in NAL's central Alberta region will be increased by approximately 2,900 boe/d with the addition of Breaker's Irricana and Millard properties. At Irricana, the 38 degree API Wabamun oil pool has a current recovery factor of approximately 6% with potential upside of 5-8 mmoe of recoverable oil (NAL internal estimate) through already approved reduced spacing and waterflood application.

In northeast British Columbia ("NEBC"), the Fireweed area will add approximately 1,600 boe/d of current production and offer long-term gas opportunities with 50-100 bcf (NAL internal estimate) of remaining recoverable gas and associated liquids upside in the Doig. During 2009, Breaker has drilled two prolific horizontal multi-frac wells that have further proven up the viability of the play. The Fireweed asset is highly complementary to the Trutch and Beg assets acquired by NAL from Alberta Clipper in May 2009, which together with Sukunka will form a 4,500 boe/d core area in NEBC.

MAP OF CORE AREAS



RESERVES

Consistent with the Trust's conservative reserve booking methodology, NAL's internal evaluation of Breaker's reserves effective October 1, 2009 recognizes 23 MMboe of proved plus probable reserves, 52% of which are classified as proved. The reserves are weighted 59% toward natural gas.

Going forward, NAL has identified opportunities for reserves additions through incremental drilling and increased recovery factors.

RESERVE LIFE INDEX

It is anticipated that NAL's P+P RLI will increase as a result of the Transaction.

	NAL	Breaker	NAL Pro forma
Proved RLI (years)	5.9	4.9	5.7
Proved and Probable RLI (years)	8.5	9.4	8.7

UNDEVELOPED LAND

The Transaction will add approximately 140,000 net undeveloped acres (average WI of 80%) to the Trust, an increase of 34% over NAL's current undeveloped land position.

ACQUISITION METRICS

The Transaction is accretive to production, reserves and net asset value on a per trust unit basis in 2010. After adjusting for undeveloped land internally valued at \$14 million, the acquisition metrics are as follows:

Production (6,700 boe/d):
- \$58,000 per boe/d

Reserves:
- \$32.42 per proved boe
- \$16.91 per proved plus probable boe

2010 OUTLOOK

NAL's full year 2009 production is expected to average between 23,500 – 24,000 boe/d. With an expected closing date of December 10, 2009 the impact of the Transaction to NAL's average annual production is likely to be minimal. NAL's 2009 proforma production in 2009 exit rate is expected to be in the 31,000 boe/d range. As is customary, NAL will provide its complete 2010 guidance in mid-January 2010.

BOARD RECOMMENDATIONS

The Board of Directors of NAL Energy Ltd. ("NAL Energy") has unanimously approved the Transaction. The Board of Directors of Breaker has also unanimously approved the Transaction and, based in part on the fairness opinion from Breaker's financial advisor discussed below, determined that the Transaction is in the best interests of Breaker and the holders of its common shares and is fair from a financial point of view to such holders. The Board of Directors

of Breaker has resolved to recommend that Breaker shareholders vote their common shares in favour of the Transaction. All of the directors and officers of Breaker, collectively holding approximately 7% of the outstanding common shares of Breaker, have entered into agreements to vote their Breaker common shares in favour of the Transaction. The Arrangement Agreement provides for a non-completion fee of \$12 million to be payable by Breaker to NAL in certain circumstances.

Closing of the Transaction is expected to occur on or about December 10, 2009, subject to the satisfaction of certain conditions including approval of the Transaction by Breaker's shareholders and the Court of Queen's Bench of Alberta. A special meeting of Breaker shareholders to vote on the proposed Arrangement Agreement will be held on or about December 8, 2009. Upon closing of the Transaction, shareholders of Breaker will be eligible to receive the NAL distribution for December 2009 that is expected to be payable on January 15, 2010.

FINANCIAL ADVISORS

BMO Capital Markets acted as exclusive financial advisor to NAL with respect to the Transaction.

FirstEnergy Capital Corp. acted as financial advisor to Breaker in respect of the Transaction and has advised the Board of Directors of Breaker that it is of the opinion, as of the date hereof, that the consideration to be received by Breaker shareholders pursuant to the Arrangement is fair, from a financial point of view, to Breaker shareholders. National Bank Financial Inc. and GMP Securities L.P. acted as strategic advisors to Breaker in respect of the Transaction.

FORWARD LOOKING STATEMENTS

This press release contains statements that constitute "forward-looking information" or "forward-looking" statements" (collectively "forward-looking information") within the meaning of applicable securities legislation. This forward-looking information includes, among others, statements regarding: the Transaction, the completion of the Transaction and the outcome of the Transaction, including regarding transaction values and accretion; estimates of recovery factors, reserves and reserve life index; plans for drilling; estimates of production; and other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations or performance.

Various assumptions were used in drawing the conclusions or making the forecasts and projections contained in the forward-looking information contained in this press release. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by NAL and described in the forward-looking information contained in this press release. Undue reliance should not be placed on forward-looking information. The material risk factors include, but are not limited to: failure to receive approval of the Transaction from Breaker shareholders, the Court of Queen's Bench of Alberta or applicable regulatory authorities, failure to realize anticipated synergies, the uncertainty of estimates and projections relating to production, recovery factors and reserves; commodity price volatility; the possibility that government policies or laws may change or governmental approvals may be delayed or withheld; changes in tax laws; changes in royalty rates; and the results of NAL's risk mitigation strategies; and NAL's ability to implement its business strategy. Readers are cautioned that the foregoing list of risk factors is not exhaustive.

Forward-looking information is based on the estimates and opinions of NAL's management at

the time the information is released.

BOE CONVERSION

Throughout this press release, the calculation of barrels of oil equivalent (boe) is calculated at a conversion rate of six thousand cubic feet (mcf) of natural gas for one barrel of oil and is based on an energy equivalence conversion method. Boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalence conversion method primarily applicable at the burner tip and does not represent a value equivalence at the wellhead.

ABOUT NAL

NAL Oil & Gas Trust provides investors with a yield-oriented opportunity to participate in the Canadian Upstream Conventional Oil and Gas Industry. The Trust generates monthly cash distributions for its Unitholders by pursuing a strategy of acquiring, developing, producing and selling crude oil, natural gas and natural gas liquids from pools in southeastern Saskatchewan, central Alberta, northeastern British Columbia and Lake Erie, Ontario. Trust units trade on the Toronto Stock Exchange under the symbol "NAE.UN".

ABOUT BREAKER

Breaker Energy Ltd. is an aggressive junior exploration and production company led by a proven team of top-tier oil and natural gas professionals. The management team of Breaker Energy has experience in all key disciplines and across the Western Canada Sedimentary Basin. Breaker's common shares trade on the Toronto Stock Exchange under the symbol "WAV".

For further information:

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