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FOR: ZARGON ENERGY TRUST

TSX SYMBOL: ZAR.UN

AND ZARGON OIL & GAS LTD.

TSX SYMBOL: ZOG.B

AND RIVAL ENERGY LTD.

TSX VENTURE SYMBOL: RGY

November 22, 2007

Zargon Energy Trust to Acquire Rival Energy Ltd.

CALGARY, ALBERTA--(Marketwire - Nov. 22, 2007) - Zargon Energy Trust ("Zargon") (TSX:ZAR.UN) (TSX:ZOG.B) and Rival Energy Ltd. ("Rival") (TSX VENTURE:RGY.V) are pleased to announce that they have entered into an Arrangement Agreement pursuant to which Zargon will acquire all the outstanding common shares of Rival. Pursuant to the agreement, Zargon will acquire all of the fully diluted Rival common shares at a price of \$1.35 per share, valuing the proposed transaction at approximately \$47.0 million, including the assumption of approximately \$14.2 million of net debt (net of option proceeds, adjustments and transaction costs).

Rival is currently producing approximately 1,000 barrels of oil equivalent per day which consists of 650 barrels per day of crude oil and 2.10 million cubic feet per day of natural gas. Approximately 60 percent of Rival's current production is from the operated Bellshill Lake oil property which is located within Zargon's Alberta Plains core area, just south of Jarrow, Zargon's largest producing property.

PLAN OF ARRANGEMENT

Rival shareholders may elect to receive either 0.0562 Zargon trust units or \$1.35 for each Rival common share, subject to a maximum of 0.69 million Zargon trust units and a maximum of \$16.4 million of cash, which represents a 16 percent premium over the five day weighted average trading price of the Zargon trust units and Rival common shares. The transaction will be completed pursuant to a Plan of Arrangement (the "Arrangement") which requires the approval of at least two-thirds of Rival's shareholders along with customary regulatory, court and other approvals. An information circular outlining the Arrangement is expected to be mailed to Rival shareholders in December 2007 for a shareholders meeting to take place on January 22, 2008. If the Arrangement is completed on January 23, 2008, as currently anticipated, the first post-Arrangement distribution by Zargon will be paid on February 15, 2008 to Zargon unitholders (including former Rival shareholders who have elected to receive and continue to hold Zargon trust units) of record on January 31, 2008.

The Boards of Directors of both Zargon and Rival have unanimously approved the Arrangement. The Board of Directors of Rival has concluded that the Arrangement is in the best interests of its shareholders from a financial perspective, and has resolved to recommend that Rival shareholders vote their

Rival shares in favour of the Arrangement. The directors and officers of Rival, beneficially owning approximately 18 percent of the shares of Rival, have agreed to vote their Rival shares in favour of the Arrangement. The Arrangement prohibits Rival from soliciting or initiating discussion regarding any other business combination or sale of material assets, contains provisions for Zargon to match competing, unsolicited proposals and, subject to certain conditions, provides for a \$1.9 million termination fee.

Tristone Capital Inc. acted as financial advisor to Rival with respect to the transaction and has provided the Rival Board of Directors with its opinion that the consideration to be received by Rival shareholders is fair, from a financial point of view.

STRATEGIC RATIONALE AND ACQUISITION METRICS

Over its history, Zargon has followed a counter-cyclical and value-seeking business strategy with the specific objectives of building a sustainable trust and over the long-term, per unit production and reserve growth. The acquisition of Rival supports these objectives and provides further opportunities, beyond those currently available within Zargon's existing asset base. The metrics of the acquisition are also attractive during this time of reduced competition for property and corporate acquisitions. Specifically, Rival brings the following assets and opportunities to Zargon:

- Current production of 1,000 barrels of oil equivalent per day, consisting of 650 barrels per day of 28 degree API oil and 2.10 million cubic feet per day of natural gas.
- More than 60 percent of Rival's production is located at the operated Bellshill property. The Bellshill property brings significant exploitation opportunities on Rival's existing developed reservoirs, at least six Zargon identified development locations pertaining to Rival's October 2007 discovery at 11-31-41-12 W4, and numerous seismically defined exploration opportunities. The majority of these locations are situated on freehold lands and are not affected by the revised Alberta royalty structure.
- 2.08 million barrels of oil equivalent proved and probable reserves, 1.52 million barrels of oil equivalent proved reserves and 1.48 million barrels of oil equivalent proved producing reserves (based on GLJ Petroleum Consultants Ltd. evaluation effective December 31, 2006, utilizing NI 51-101 reserves definitions updated to include selected additional production data and mechanically adjusted to August 31, 2007). These reserve estimates do not include recognition for Rival's recently announced Bellshill discovery nor the related development locations. Significant reserve additions are anticipated to be booked throughout calendar 2008.
- Stable natural gas production volumes at Morinville, Joffre, and Windfall in West Central Alberta.
- A shallow natural gas producing property at Robsart in Southwest Saskatchewan, with a minimum of six seismically defined locations that have been deferred due to current natural gas price weakness.
- 46,700 net acres of undeveloped land, including exploration acreage at Progress, Culp and Dawson in the Peace River Arch.

- Proprietary seismic totalling 85 square kilometers of 3D seismic and 82 kilometers of 2D seismic data.
- In aggregate, 78 percent of Rival's total production is operated while 100 percent of Rival's oil production is operated.
- Tax pools of approximately \$27.9 million as of June 30, 2007.

The Rival acquisition is accretive to Zargon on a reserves, production, and cash flow basis. Excluding Rival's undeveloped land value of \$3.7 million, the value of the transaction is \$43.3 million, resulting in the following acquisition metrics:

- Production - \$43,300 per producing barrel of oil equivalent per day based on a current rate of approximately 1,000 barrels of oil equivalent per day.
- Reserves - \$20.81 per proved and probable barrels of oil equivalent and \$28.48 per total proved barrels of oil equivalent. These metrics do not include recognition for Rival's recent Bellshill oil discovery nor the related development locations.
- Property operating cash flow multiple - a 3.6 times annualized property operating cash flow multiple based on Rival's 2007 nine month property operating cash flow estimate of \$9.1 million.

REVISION TO ZARGON'S 2008 GUIDANCE

In the November 13, 2007 press release announcing third quarter 2007 results, Zargon provided a preliminary 2008 production estimate of 8,800 barrels of oil equivalent per day which was premised on a 2008 exploration and development capital program of \$55 million that included the drilling of 50 net wells.

Based on the expected late-January 2008 closing of the Arrangement, Zargon is increasing its 2008 guidance from 8,800 barrels of oil equivalent per day to 9,750 barrels of oil equivalent per day. This new estimate reflects a full 1,000 barrel of oil equivalent per day contribution from the Rival assets for the remainder of the 2008 year, post closing of the acquisition. During 2008, Zargon expects to spend \$7.0 million on the Rival assets in an oil focused capital program that includes facility modifications and the drilling of six net development wells and three net exploration wells on the Bellshill property. Accordingly, Zargon's 2008 capital budget will be increased to \$60 million and will be now allocated \$29 million to the Alberta Plains, \$17 million to the Williston Basin and \$14 million to the West Central Alberta core areas.

As of September 30, 2007, Zargon's debt net of working capital (excluding unrealized risk management assets and liabilities) was \$54.6 million or slightly less than a 0.7 times multiple of Zargon's 2007 annualized funds flow from operations. Pursuant to this transaction, Zargon will increase its borrowings by approximately \$30.6 million, which will be funded from Zargon's syndicated \$120 million credit facility.

In support of this transaction, Zargon intends to hedge an additional 500 barrels per day of oil production through 2009 at current market prices.

FORWARD-LOOKING STATEMENTS

This press release contains statements that are forward-looking, such as those relating to results of operations and financial condition, capital spending, financing sources, commodity prices, costs of production and the magnitude of oil and natural gas reserves. By their nature, forward-looking statements are subject to numerous risks and uncertainties that could significantly affect anticipated results in the future and, accordingly actual results may differ materially from those predicted. The forward-looking statements contained in this press release are as of November 22, 2007 and are subject to change after this date. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Zargon disclaims, except as required by law, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

BARRELS OF OIL EQUIVALENT

Barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

ABOUT ZARGON

Based in Calgary, Alberta, Zargon's securities trade on the Toronto Stock Exchange and there are currently 17.04 million trust units (TSX:ZAR.UN) and 2.10 million exchangeable shares (TSX:ZOG.B) outstanding. After giving effect to the conversion privilege of the exchangeable shares and the November 15, 2007 revised exchange ratio there would be a total of 19.74 million trust units outstanding.

In order to learn more about Zargon, we encourage you to visit Zargon's website at www.zargon.ca where you will find a current unitholder presentation, financial reports and historical news releases.

ABOUT RIVAL

Based in Calgary, Alberta, Rival's securities trade on the TSX Venture Exchange and there are currently 22.35 million basic and 24.23 million fully diluted shares outstanding. Information applicable to Canadian securities regulations has been filed on the SEDAR system at www.sedar.com and Rival's website at www.rivalenergy.com.

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FOR FURTHER INFORMATION PLEASE CONTACT:

Zargon Energy Trust
Mr. C.H. Hansen
President and Chief Executive Officer
(403) 264-9992

OR

Zargon Energy Trust
Mr. B.C. Heagy
Executive Vice President and Chief Financial Officer
(403) 264-9992
Email: zargon@zargon.ca
Website: www.zargon.ca

OR

Rival Energy Ltd.
Mr. Colin Ogilvy
President and Chief Executive Officer
(403) 233-4366

OR

Rival Energy Ltd.
Mr. George Zirotf
Chief Financial Officer
(403) 233-4366
Website: www.rivalenergy.com

INDUSTRY: Energy and Utilities-Oil and Gas
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