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FOR IMMEDIATE RELEASE

NAL OIL & GAS TRUST UNITHOLDERS APPROVE CONVERSION TO A CORPORATION

Media Release No. 30-10

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CALGARY / Marketwire / NAL Oil & Gas Trust (the "Trust" or "NAL") (TSX: **NAE.UN**) held a special meeting of trust unitholders (the "Meeting") in Calgary yesterday. At the Meeting, the trust unitholders of the Trust adopted the special resolution authorizing the plan of arrangement to reorganize the Trust into a corporation (the "Arrangement") with over 96.4 percent of the trust units represented at the Meeting being voted in favour of the special resolution. In addition, the Court of Queen's Bench of Alberta issued its final order approving the Arrangement earlier today.

It is presently anticipated that the conversion will become effective on or about December 31, 2010. Following the completion of the Arrangement, NAL expects the common shares and the convertible debentures of NAL Energy Corporation (the "Corporation"), the successor to the Trust, to be listed for trading on the Toronto Stock Exchange in early January under the symbols "NAE", "NAE.DB" and "NAE.DB.A", respectively. The trust units of NAL will be delisted following completion of the Arrangement.

The trust unitholders of the Trust also approved the deferred share unit plan for the directors of the Corporation at the Meeting.

For more information, readers can view the report of voting results filed by the Trust in respect of the Meeting at: <http://www.sedar.com>.

NAL ENERGY CORPORATION

As stated above, effective with the conversion to a corporation, NAL will be succeeded by NAL Energy Corporation and its website URL will change to www.nalenergy.com. It is expected that the new URL will become active in early January 2011 with the old Trust URL re-directing users to the new corporate site over the next several months.

In conjunction with the conversion to a corporation, NAL has undertaken and will be completing an internal restructuring which will simplify reporting for the Corporation. One of the outcomes of this simplification is the Corporation will not be required to report the consolidated non-controlling interest production volumes associated with the Tiberius & Spear acquisition in 2008. As a result, the Corporation's full year production volumes will be reported net of approximately 300 boe per day in 2010. There is no anticipated impact to the Corporation's funds from operations as a result of this change since this was previously reported on an unconsolidated or net basis.

2011 GUIDANCE TO BE ANNOUNCED IN JANUARY

It is currently expected that the Corporation's guidance for 2011 will be announced after market close on Tuesday January 25, 2011 with a formal presentation to the analyst and investment community to follow on Wednesday, January 26, 2011, in Calgary, Alberta. The presentation will be webcast for interested investors that are unable to attend in person with details to be made available closer to the event date.

FORWARD LOOKING STATEMENTS

This press release contains statements that constitute "forward-looking information" within the meaning of applicable securities legislation. Forward looking information is typically identified by words such as "anticipate", "estimate", "expect", "forecast", "may", "will", "could", "plan", "intend", "should", "believe", "outlook", "project", "potential", "target" and similar words suggesting future events or future performance. This press release contains forward-looking information pertaining to, among other things, the completion of the proposed Arrangement, the internal restructuring of NAL and the reporting of certain non-controlling interest production volumes.

Various assumptions were used in drawing the conclusions contained in the forward-looking information contained in this press release including, without limitation, that all conditions to the completion of the Arrangement will be satisfied.

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 satisfy all conditions to the completion of the Arrangement.

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

ABOUT NAL

NAL Oil & Gas Trust provides investors with a yield-oriented opportunity to participate in the Canadian upstream 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".

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