

Press Release

CERVUS LP SUBSCRIBES FOR SHARES OF CERVUS CORPORATION AND WILL DISTRIBUTE THOSE SHARES TO ITS UNITHOLDERS

FOR IMMEDIATE RELEASE: May 5, 2004, Red Deer, Alberta

Cervus LP (TSX-VN: CVL) and Cervus Corporation (TSX-VN: CVC) are pleased to provide an update to their earlier joint press release issued on April 22, 2004 announcing a proposed acquisition via private placement of common shares of Cervus Corporation by Cervus LP and the proposed subsequent distribution of those shares by Cervus LP to its Unitholders.

On May 5, 2004, Cervus LP completed the acquisition of 620,000 common shares of Cervus Corporation at a purchase price of \$2.00 per common share for aggregate gross proceeds to Cervus Corporation of \$1,240,000. Since the common shares were issued pursuant to an exemption from the prospectus requirements of the Securities Act (Alberta), they will be subject to a hold period expiring on September 6, 2004.

As previously announced, Cervus LP intends to announce a distribution of \$0.60 per unit payable on July 15, 2004 to its unitholders of record as of the close of business on June 30, 2004 with such distribution being payable via the issuance of 0.15 Cervus Corporation common shares for each one Cervus LP unit held.

As indicated above, the four month hold period on the common shares will not have expired by July 15, 2004. In order to facilitate the distribution, Peter Lacey, the principal shareholder of Cervus Corporation has agreed to exchange 620,000 free trading Cervus Corporation common shares held by him or companies controlled by him for the 620,000 restricted common shares of Cervus Corporation to be acquired by Cervus LP in the aforementioned private placement. Cervus Corporation will then distribute those free trading Cervus Corporation common shares to its unitholders in satisfaction of its distribution to its unitholders.

Pursuant to the completion of the initial private placement, and until the distribution to its unitholders, Cervus LP now owns approximately 14.35% of the issued and outstanding shares of Cervus Corporation. Cervus LP has advised Cervus Corporation that it is acquiring the shares for the purposes of the aforementioned distribution, that it is not acting jointly or in concert with any other person with respect to the acquisition of shares of Cervus Corporation and that it does not have a present intention to acquire additional shares on the open market.

Note that this transaction is technically a "related party transaction" as defined in TSX Venture Exchange Policy 5.9 since Cervus Corporation is the general partner of Cervus LP. However, each of Cervus Corporation and Cervus LP are relying on exemptions from the valuation and shareholder approval requirements of that Policy since the fair market value of the transaction was less than 25% of the market capitalization of each issuer as at the time the transaction was agreed to.

Cervus LP is in the business of acquiring and operating authorized John Deere dealerships. Cervus LP operates authorized with 11 locations in Western Canada.

Cervus Corporation is the general partner of Cervus LP and receives fees in exchange for the services that it provides to Cervus LP. Cervus Corporation also owns certain real property and

fixed assets associated with the John Deere dealership operated by Cervus LP receives fees from Cervus LP for the lease of such assets to Cervus LP.

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The TSX Venture Exchange has neither approved or disapproved the information contained herein.