

Cervus LP Announces Acquisition and Equity Offering

Red Deer, Alberta , October 14, 2005 – Cervus LP (CVL.UN: TSX-VN) is pleased to announce that it has entered into a letter of intent for, and that it's Board of Directors has approved, the purchase of all of the outstanding shares of AR Williams Contractors Equipment Ltd. ("Contractors"), an Alberta corporation with its head office located in Calgary, Alberta, Canada, subject to timely completion of a formal purchase agreement and related due diligence as well as receipt of applicable regulatory approvals.

A.R. Williams Contractors Equipment Ltd. is an exclusive distributor of Bobcat, JCB and JLG construction equipment within the Northern and Central Alberta trade territory. In addition to selling new and used equipment, Contractors rents equipment, sells parts and provides equipment repair and maintenance service to its customers. Contractors has five dealerships in four cities: one in each of Calgary, Red Deer and Fort. McMurray and two in Edmonton.

Cervus LP will purchase 100% of the shares of Contractors plus \$4.4 million of shareholder loans from the two existing shareholders for total consideration of \$16.5 million (the "Transaction"). The Transaction will be substantially financed as follows: (i) approximately \$12 million through a combination of long-term debt and the proceeds of an equity offering of Cervus LP units; (ii) approximately \$3 million through the issuance to the vendors of Cervus LP units (or securities convertible into Cervus LP Units for no additional consideration); and (iii) approximately \$1.5 million by way of promissory notes with interest at 8% per annum to be issued to the vendors. The expected closing date of the Transaction is November 15, 2005.

For the fiscal year ended December 31, 2004 Contractors generated \$2.4 million of earnings before management bonus and income taxes on revenues of \$47.1 million. Un-audited earnings before taxes for the eight months ended August 31, 2005 were \$3.3 million on revenues of \$45 million. Results are expected to continue to be strong through 2005 and into the future as a result of the strong Alberta economy. The effective date of the Transaction will be June 30, 2005. The Transaction is expected to be immediately accretive to Cervus LP.

"The financial results from Contractors is very accretive to our unit holders" says Peter Lacey, President of Cervus LP, "and allows us to diversify our operations and tap into the growing Alberta economy. The similarity in the business issues and operating structure is striking and fits very well into the group." Arnie Charbonneau, President of Contractors will be joining the Board of Directors of Cervus LP and will be retained under a one year management contract to ensure a smooth transition of the operations.

Cervus LP is also pleased to announce that it has entered into an agreement with Acumen Capital Finance Partners Limited ("Acumen"), as lead agent on behalf of a syndicate of agents (the "Agents"), pursuant to which the Agents have agreed to offer on a commercially reasonable best efforts basis 1,000,000 subscription receipts (the "Subscription Receipts") of Cervus LP at \$8.00 per Subscription Receipt for total gross

proceeds of \$8,000,000. The Agents will also have the option (the “Over Allotment Option”) to increase the size of the offering by offering up to an additional 500,000 Subscription Receipts for additional gross proceeds of \$4,000,000.

The Subscription Receipts will be exchangeable, without additional payment, into units of Cervus LP on a one-for-one basis at any time after completion of the Transaction at the election of the subscriber and any Subscription Receipts not exchanged by February 28, 2006 shall automatically be exchanged into units. In the event the Transaction is not completed by Cervus LP on or before November 30, 2005, then the Subscription Receipts shall be automatically redeemed by Cervus LP at the Subscription Price plus accrued interest.

Each of the Transaction and the private placement financing are subject to certain conditions including the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange. Closing of the private placement financing is expected to occur on or about November 3, 2005.

For further information: Peter Lacey, President and Chief Executive Officer, (403) 342-6892

This press release contains forward-looking statements subject to various risk factors and uncertainties, which may cause the actual results, performances or achievements of Cervus LP to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, fluctuations in the market for the products and services offered by Cervus LP, political and economic conditions, industry competition and Cervus LP's ability to attract and retain both customers and key personnel.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.