

CERVUS LP

**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

Symbol: CVL.UN (TSX-V)
August 17, 2009

CERVUS LP ANNOUNCES CONVERSION TO A CORPORATION WITH A THREE FOR TWO SHARE SPLIT AND AN 18 CENT PER SHARE QUARTERLY DIVIDEND

Cervus LP (“**Cervus**”) (TSXV: CVL.UN) is pleased to announce that it has entered into an agreement pursuant to which it will convert from a limited partnership structure to a corporation pursuant to a Plan of Arrangement (the “**Conversion**”).

Strategic Rationale for the Decision to Convert to a Corporation

Cervus’ vision is to operate and build businesses that will provide long-term stability of distributions and premium returns to our unitholders through value-based growth in our core businesses. The announcement by the Canadian federal government on October 31, 2006 of the income and distribution tax (the “**SIFT Tax**”) on specified investment flow-through entities (i.e. publicly traded income trusts and limited partnerships or “**SIFTS**”), which for most SIFTS including Cervus will not be effective until the end of the transition period on December 31, 2010, and the subsequent limitations placed on SIFTS with respect to growth during the transition period, made it clear that the intention of the Department of Finance (Canada) was to close and subsequently dissolve the public income trust and limited partnership market. Further, the legislation on tax-free corporate conversions of SIFTS announced in July 2008 requires conversions to be completed under the new rules before December 31, 2013. Cervus believes the uncertainty relating to the future of the public income trust and limited partnership market has had a negative impact resulting in discounted unit prices and reduced growth prospects.

Cervus has been proactively assessing several options available to provide long-term stability of distributions for our unitholders while minimizing the impact of the SIFT Tax. Cervus believes the early conversion to a corporation through the proposed Plan of Arrangement with Vasogen Inc. (“**Vasogen**”) accomplishes both of these objectives.

Peter Lacey, President and Chief Executive Officer of the general partner of Cervus, stated that, “We are pleased to announce this Conversion as it allows us to continue to create long-term value for our unitholders by converting from a limited partnership to a corporation while continuing to pay quarterly cash dividends.”

Benefits of the Transaction to our Unitholders

- The proposed Plan of Arrangement provides for an effective and efficient method of converting from a SIFT to a corporation consistent with the legislation announced by the Minister of Finance.
- Cervus expects that the conversion will result in the issuance of three shares of the successor corporation for each two units of the limited partnership held and that following the completion of the conversion it will make quarterly payments of \$0.18 per share (\$0.72 per share on annualized basis) which will be paid as a dividend to its shareholders. On an annualized basis, after adjustment for the stock split, the anticipated quarterly cash dividend by the corporation will be equal to the current monthly cash distribution by the limited partnership.
- Canadian taxable shareholders will receive a dividend tax credit compared to current unitholders tax treatment as other income.
- The exchange of units for shares pursuant to the proposed transaction is tax free for our unitholders based on the recently proposed rules for SIFT conversions.
- Further, pursuant to the proposed transaction Cervus LP will become a wholly-owned subsidiary of the successor corporation and the current unitholders of Cervus LP will become shareholders of the successor corporation. Consequently, since Cervus LP is a limited partnership, it is anticipated that all taxable

income earned up to the date of the conversion will be reported by the new corporation and therefore no taxable income will be flowed for the current year through to the current unitholders of Cervus LP as a result of the conversion.

- Cervus' conversion to a corporation may result in greater access to capital and the removal of the "normal growth" and "undue expansion restrictions" in the SIFT legislation that limited Cervus' ability to consider certain strategic acquisitions.
- The planned termination of the public income trust and limited partnership market would have diminished Cervus' ability to raise capital in the future making the conversion to a corporation inevitable.
- Cervus may have greater access to capital in Canada, the United States and other international markets on a more timely and cost efficient basis.
- Cervus is expected to have improved liquidity resulting in higher trading volumes.
- Cervus will have an estimated aggregate tax shield in excess of \$225 million following the transaction.
- The total cost of the transaction is expected to be approximately \$8.45 million of which approximately \$7.5 million will be paid to Vasogen.
- The conversion allows Cervus to access certain tax free roll-over provisions that will assist in the structuring of acquisitions.

Cervus after Conversion to a Corporation

- Cervus will become a high-yield, dividend paying corporation.
- Canadian taxable shareholders should benefit from lower income taxes paid on dividends compared to taxes previously paid on Cervus' distributions.
- After the completion of the transaction, Cervus will continue to operate its existing businesses.
- The existing businesses of Vasogen will be carried on by a new corporation owned by Vasogen's existing shareholders.

The Conversion is subject to various commercial conditions including the consent to the Plan of Arrangement of Cervus' lenders and of those manufacturing companies which supply Cervus with its products for sale, and the receipt of regulatory approvals which include the approval of the TSX Venture Exchange. The Conversion is also subject to the approval of the court and of 66 $\frac{2}{3}$ % of the votes cast by unitholders of Cervus and the shareholders of Vasogen at the respective securityholder meetings called to approve the transaction. The mailing of the information circular to the holders of limited partnership units of Cervus is expected to occur in mid-September, 2009 with the meeting to be held on or about October 13, 2009. The closing of the Conversion is expected to occur on or about October 14, 2009.

Complete details of the terms of the Plan of Arrangement are set out in the Arrangement Agreement that will be filed by Cervus on SEDAR. (www.sedar.com)

About Cervus LP

Cervus LP acquires and manages authorized equipment dealerships in Western Canada. The partnership presently operates 14 John Deere dealerships in Alberta, Saskatchewan and Manitoba and 5 construction equipment dealerships in Alberta that sell Bobcat, JCB and JLG equipment. The units of Cervus LP are listed on the TSX Venture Exchange and trade under the symbol "CVL.UN".

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Forward Looking Information

This press release contains certain forward-looking statements and forward-looking information ("forward-looking information") within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. In particular, this press release includes forward-looking information relating to results of operations, dividends, taxes, plans and objectives, access to capital, liquidity and trading volumes, projected costs, business strategy and anticipated benefits of the Conversion. Cervus believes the expectations reflected in such forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Forward-looking information is based on various assumptions. Those assumptions are based on information currently available to Cervus, including information obtained from third party industry analysts and other third party sources and include the historic performance of Cervus' businesses, current business and economic trends, completion of the Conversion and utilization of the tax basis, currency, exchange and interest rates, trading data and cost estimates. You are cautioned that the preceding list of assumptions is not exhaustive.

Forward-looking information is not a guarantee of future performance and involves a number of risks and uncertainties some of which are described herein. Such forward-looking information necessarily involves known and unknown risks and uncertainties, which may cause Cervus' actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking information. These risks and uncertainties include but are not limited to the risks identified in Cervus' 2008 Annual Information Form under the heading "Risk Factors" and the risks associated with the availability and amount of the tax basis. Any forward-looking information is made as of the date hereof and, except as required by law, Cervus assumes no obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.

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