



COMPANY PRESS RELEASE

Arête Industries, Inc. (OTC:BB ARET) Arête Industries Providing Unique Program to Bring Publicly Traded Benefits to Development Stage Businesses

For Immediate Release

Monday March 3, 2003

Niwot, Colorado – March 3, 2003 – Arête Industries (OTCBB: ARET), a publicly traded business development company, announced today that it has moved to its new offices in Niwot, Colorado and is moving forward on a program designed to bring publicly traded benefits to development stage companies.

The Company's "Spin-Off, Dividend Distribution Program" is designed to facilitate acquisitions of companies that already have achieved a strong fundamental base of business, including a developed product or service, a clearly identified market and the near term potential to become a publicly traded company. The Program allows qualified businesses that Arête acquires to go public by issuing to its shareholders a dividend or making a rights offering of the subsidiary's stock to the Arête shareholders after an incubation period.

The CEO of Arête Industries, Tom Raabe, said, "With the current economic situation and the lack of Initial Public Offerings, many companies need a hand in securing the funding and management assistance needed to grow their company to the next stage. Arête Industries believes that its Program will help a number of these organizations to grow and succeed. At the same time, these companies will help Arête Industries grow and provide additional return on investment to our shareholders."

In brief, the Spin-Off Dividend Distribution Program from Arête Industries acquires the private company into Arête Industries as a subsidiary. Arête Industries is able to assist the management team of the acquired company with its business plans, financing needs and marketing efforts. When the subsidiary has matured and conformed to the standards and practices of a public company, it will then be spun off to the Arête shareholders as a public company. When this spin-off takes place, it is anticipated that the newly public company will generate an initial market capitalization that accurately reflects the true fundamental value of the company.

The vision of Arête Industries is to incubate development stage companies at the beginning of their high-growth, pre or post break-even stage, and offer them an opportunity to go public through a process which is far superior to reverse mergers with public "shell" corporations. This incubation period is not designed to bring start-up companies to the development stage, but rather to assist companies that have completed that phase of development. Arête believes that there is a large number of good candidates at this stage of development that are yet too immature to raise growth capital from private investors, the public equity markets or through conventional debt financing; and that can benefit from the Company's Spin-Off, Dividend Distribution Program.

About Arête Industries

Arête Industries was founded in 1987 and today has over 8,000 public shareholders. It recently restructured its capitalization, stabilized its overhead including moving its headquarters to a business suite in Niwot, Colorado and is currently in the process of transitioning to a registered Business Development Company. The Company has moved forward in developing qualified acquisition candidates and private funding sources through its affiliate, Eagle Capital Funding Corp. Additional information on the Company and its Spin-Off Dividend Distribution Program can be found on its web site at: www.areteindustries.com

Forward Looking Information

Certain statements contained herein, which are not historical, are forward-looking statements that are subject to risks and uncertainties not known or disclosed herein that could cause actual results to differ materially from those expressed herein. In particular, there are no assurances that the projects will be successful, and therefore no assurance that the Company will generate revenue or equity with any future

value, nor are there assurances that the Company will be successful in generation of new business development and investment banking.

Contact:

Thomas P. Raabe, CEO

Arête Industries, Inc.

7102 La Vista Place, Suite 100

Niwot, Colorado 80503

Voice: 303.652.3113

Fax: 303.652-1488

Email: tpraabe@areteindustries.com

WEB: www.areteindustries.com