

FOR IMMEDIATE RELEASE DECEMBER 14, 2010

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PEYTO ENERGY TRUST CONFIRMS CASH DISTRIBUTIONS FOR JANUARY 14, 2011

CALGARY, ALBERTA-Peyto Energy Trust ("Peyto" or the "Trust") confirms that the monthly distribution with respect to December 2010 of \$0.12 per trust unit is to be paid on January 14, 2011, for unitholders of record at 11:57 p.m. on December 31, 2010. The ex-distribution date is December 29, 2010. Pending the successful conversion to a dividend paying corporation, this will be the final distribution payment, and final opportunity to participate in the Trust's Distribution Re-Investment Plan ("DRIP") and Optional Trust Unit Purchase Plan ("OTUPP").

It is the current intention of the Trust that, following the completion of the Arrangement, Peyto Exploration & Development Corp. will establish a dividend policy of paying monthly dividends to the shareholders. The initial monthly dividend is anticipated to be \$0.06 per share. This dividend level has been set for the first quarter of 2011. As a result, if the Arrangement is completed on January 1, 2011, the first dividend is anticipated to be paid on February 15, 2011, to shareholders of record as of January 31, 2011.

We encourage you to actively visit Peyto's website located at www.peyto.com where you will find monthly reports that follow the progress of Peyto's capital program. For further information please contact:

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Certain information set forth in this document, including management's assessment of Peyto's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond these parties' control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Peyto's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Peyto will derive therefrom. The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.