NEWS RELEASE

FEBRUARY 10, 2010 **SYMBOL: PEY.UN - TSX**

PEYTO ENERGY TRUST ANNOUNCES 2009 YEAR END RESERVES AND 2010 OUTLOOK

Peyto Energy Trust ("Peyto" or "the Trust") is pleased to present the results and analysis of the independent reserve report effective December 31, 2009. The evaluation encompassed 100% of the Trust's reserve assets and was conducted by Paddock Lindstrom and Associates Ltd. ("PLA") in compliance with National Instrument 51-101 and in accordance with the COGE (Canadian Oil and Gas Evaluation) Handbook.

Background

- Peyto has an eleven year history of generating industry leading returns by developing natural gas resource plays in the Western Canadian Sedimentary Basin.
- Return on capital[1] and return on equity[1] have averaged 23% and 45% respectively over the last ten years while unitholders/shareholders have enjoyed a compound annual total return of 52%.
- Over that same time, Peyto's exploration and development activity has discovered over 1.5 TCFe of Alberta Deep Basin natural gas, with over 330 BCFe[2] recovered to date and 1.2 TCFe[3] of Proved plus Probable Additional ("P+P") reserves remaining.

2009 Highlights

- For the year ending December 31, 2009, Peyto invested $72.7 million of capital[1] (net of Drilling Royalty Credits) to build approximately 4,200 boe/d of new production at virtually half the cost of the previous year ($17,300/boe/d).
- Total Proved ("TP") reserves increased by 17% to 893 BCFe while P+P reserves increased 20% to 1.2 TCFe, reflecting the increased development inventory associated with the application of horizontal multi-stage fracture technology in Peyto's Deep Basin resource plays.
- Reserve Life Index ("RLI") increase in all categories to 14, 21 and 29 years for Proved Producing, TP and P+P.
- A reduction in forecasted NYMEX natural gas price and an increase in the CND$/USD$ exchange rate caused a 13% reduction in the Net Present Value (debt adjusted and discounted at 5%) of the Proved Producing reserves.
- For the year, the Proved Producing, Finding, Development and Acquisition ("PP FD&A") cost, inclusive of additions, revisions and production was $2.26/MCFe ($13.58/boe) while the average field netback[1] before hedging was $4.04/MCFe ($24.25/boe), resulting in a 1.8 times recycle ratio.
- For the last three years, the average PP FD&A cost has been $2.42/MCFe ($14.52/boe), while the average field netback (before hedges) was $5.76/MCFe resulting in a recycle ratio of 2.4 times (on average, hedging activity has served to increase the field netback by $0.79/MCFe and the recycle ratio by 0.3 times).
- Peyto replaced 422% of production with new Total Proved reserves at a FD&A cost of $1.73/MCFe ($10.41/boe) and 597% of production with new P+P reserves at a FD&A cost of $1.47/MCFe ($8.80/boe) (including increases in future development capital of $223 million and $282 million for the respective categories).

2010 Outlook

- Based on the current bank lines, forecasted natural gas prices and growing production volumes (21,000 boe/d currently) the Trust plans to maintain distributions at $0.12/unit/month and invest approximately $180 million in capital programs this year.

1. *Capital Expenditure, Field Netback, ROC and ROE are estimated and remain unaudited at this time.*
2. *BCFe is Billions of Cubic Feet equivalent*
3. *TCFe is Trillions of Cubic Feet equivalent*

2009 RESERVES

The following table summarizes Peyto's reserves and the discounted net present value ("NPV") of future cash flows, before income tax, using variable pricing, at December 31, 2009.

					Before Tax Net Present Value ($millions) Discounted at			
Reserve Category	**Gas (mmcf)**	**Oil & NGL (mstb)**	**BCFe (6:1)**	**MBOE (6:1)**	**0%**	**5%**	**8%**	**10%**
Proved Producing	496,632	15,801	591.4	98,573	$4,655	$2,389	$1,825	$1,578
Proved Non-producing	15,235	374	17.5	2,913	$140	$68	$49	$41
Proved Undeveloped	241,534	7,116	284.2	47,371	$1,855	$888	$626	$508
Total Proved	753,401	23,290	893.1	148,857	$6,650	$3,344	$2,500	$2,127
Probable Additional	260,041	7,693	306.2	51,033	$2,388	$951	$632	$502
Proved + Probable Additional	1,013,442	30,983	1,199.3	199,890	$9,038	$4,295	$3,132	$2,628

Note: Based on the PLA report effective December 31, 2009. Tables may not add due to rounding.

The Paddock Lindstrom and Associates Ltd. price forecast used in the variable dollar economics is available on their website at www.padlin.com .

Analysis

On behalf of unitholders, Peyto has analyzed the annual independent reserve evaluation in order to answer three fundamental questions.

1. Base Reserves - How did the "base reserves" that were on production at the time of the last reserve report perform during the year and how did any change in commodity price forecast affect their value?
2. Value Creation - How much value did the 2009 capital investments create, both in current producing reserves and in undeveloped potential?
3. Sustainability - Are the projected cashflows capable of funding the undeveloped opportunities and a sustainable distribution or dividend stream to unitholders?

Base Reserves

Peyto's existing Proved Producing reserves at the start of 2009 (base reserves) were evaluated and adjusted for 2009 production as well as any technical revisions, both positive and negative, resulting from the additional twelve months of data. As part of Paddock Lindstrom's independent engineering analysis, all 683 producing entities were evaluated. These producing wells and zones represent a total gross Estimated Ultimate Recoverable (EUR) volume of 1.05 TCFe. Consistent with years past, this estimate was within 1% of previous estimates. Peyto is again pleased to report that the base reserves continue to meet with expectation and increase the confidence in the prediction of future recoveries.

Price Forecasts

Paddock Lindstrom's Alberta natural gas price (AECO) forecast for the next 15 years is approximately 15% less today than a year ago, due to a reduction in forecasted NYMEX natural gas price and an increase in the CND$/USD$ exchange rate. Their forecast for Alberta Condensate price, which accounts for approximately 60% of Peyto's total natural gas liquid production, is approximately 3% higher. The debt adjusted NPV, discounted at 5%, of last year's Proved Producing reserves decreased 17% due to this change in commodity price forecasts, as illustrated in the following value reconciliation.

Value Creation/Reconciliation

In order to measure investment success, it is necessary to quantify the amount of value created during the year and compare that to the amount of capital invested. This exercise is undertaken to ensure the best use of the unitholders'

capital on a go forward basis. At Peyto's request, and for the benefit of unitholders, the independent engineers have run last year's evaluation with this year's price forecast to remove the change in value attributable to both commodity prices and changing royalties. This approach isolates the value created by the Peyto team from the value created (or lost) by those changes outside of their control. Since the capital investments in 2009 were funded from a combination of cash flow, debt and equity, it is necessary to know the change in debt and the change in units outstanding to see if the change in value is truly accretive.

At year end 2009, the forecasted net debt had decreased by $52.8 million to $439.8 million while the number of units outstanding had increased by 9.2 million units to 115.1 million units. The change in debt includes all of the capital expenditures, net of Drilling Royalty Credits earned, and the total fixed and performance based compensation paid out during the year. Although these forecasts are believed to be accurate, they remain unaudited at this time.

Based on this reconciliation of changes in BT NPV, the Peyto team was able to create $390 million of Proved Producing, $1,375 million of Total Proven, and $1,968 million of Proved plus Probable Additional undiscounted reserve value, with $73 million of capital investment. The ratio of capital expenditures to value creation is what Peyto refers to as the NPV recycle ratio, which is simply the undiscounted value addition, resulting from the capital program, divided by the capital investment. For 2009, the Proved Producing NPV recycle ratio is 5.4, compared with 2.1 for 2008.

The following table breaks out the value created by Peyto's capital investments and reconciles the changes in debt adjusted NPV of future net revenues using forecast prices and costs as at December 31, 2009.

	Proved Producing			Total Proved			Proved + Probable Additional		
($millions) Discounted at	0%	5%	10%	0%	5%	10%	0%	5%	10%
Before Tax Net Present Value at Beginning of Year ($millions)									
Dec. 31, 2008 Evaluation using PLA Jan. 1, 2009 price forecast, less debt	**$4,781**	**$2,244**	**$1,332**	**$5,995**	**$2,775**	**$1,612**	**$8,069**	**$3,584**	**$2,037**
Per Unit Outstanding at Dec. 31, 2008 ($/unit)	$45.13	$21.18	$12.58	$56.60	$26.19	$15.22	$76.18	$33.84	$19.23
2009 sales (revenue less royalties and operating costs)	**($227)**	**($227)**	**($227)**	**($227)**	**($227)**	**($227)**	**($227)**	**($227)**	**($227)**
Net Change due to price forecasts (using PLA Jan 1, 2010 price forecast)	**($729)**	**($390)**	**($275)**	**($934)**	**($500)**	**($349)**	**($1,213)**	**($626)**	**($428)**
Value Change due to discoveries (additions, extensions, transfers, revisions)	**$390**	**$322**	**$308**	**$1,375**	**$856**	**$650**	**$1,968**	**$1,124**	**$807**
Before Tax Net Present Value at End of Year ($millions)									
Dec. 31, 2009 Evaluation using PLA Jan. 1, 2010 price forecast, less debt	**$4,215**	**$1,949**	**$1,138**	**$6,210**	**$2,904**	**$1,687**	**$8,598**	**$3,856**	**$2,188**
Per Unit Outstanding at Dec. 31, 2009 ($/unit)	$36.62	$16.93	$9.89	$53.95	$25.23	$14.65	$74.69	$33.49	$19.01
Year over Year Change in Before Tax NPV/unit	**(19%)**	**(20%)**	**($21)**	**(5%)**	**(4%)**	**(4%)**	**(2%)**	**(1%)**	**(1%)**
Year over Year Change in Before Tax NPV/unit including Distribution ($1.47/unit)	**(16%)**	**(13%)**	**(10%)**	**(2%)**	**2%**	**6%**	**0%**	**3%**	**7%**

Tables may not add due to rounding.

Impact of New Technology on Undeveloped Potential

During 2009, Peyto evaluated the development of its Deep Basin tight gas reserves using horizontal wells with multi-stage fracture stimulations. To date, Peyto has successfully completed and tested five wells, evaluating three different formations, with this technology. The early results indicate that more reserves and greater profitability can be obtained using this approach. The independent engineers have used this information and determined that Peyto has significantly more undeveloped reserve potential in its Deep Basin lands. In total, 108 horizontal locations were identified with Proved plus Probable Additional Undeveloped reserves of 245 BCFe. Of this volume, 68% or 167 BCFe was classified as Proved Undeveloped. Some of these horizontal locations replace previously booked vertical locations while many others will access reserves that, until now, were unrecognized. Of these 108 locations, approximately 75% are in the liquid rich Cardium formation where an additional 45 bbls of Natural Gas Liquids ("NGLs") is recovered with every million cubic feet of natural gas.

The value of applying this technology to Peyto's resource base is significant. The P+P Net Present Value (discounted at 5%) of the undeveloped horizontal locations is estimated at $790 million ($6.86/unit) or 18% of the Trust's asset base.

Sustainability

As a growth oriented, sustainable trust, Peyto's primary objective is to grow the resources which generate sustainable income (distributions or dividends) for unitholders. In order for income to be more sustainable and grow, Peyto must profitably find and develop more reserves. Simply increasing production from the existing reserves will not make that income more sustainable.

During 2009 the Trust was successful in replacing 79% of the produced reserves using less than one third of its operating income, while at the same time proving up technology that has materially expanded the undeveloped asset base. As a result, the Reserve Life Index grew 4% to 14 years in the Proved Producing category, mainly due to the natural maturation of the tight gas wells, while the Total Proved and P+P categories grew 24% and 27% respectively to 21 and 29 years. This increase in Reserve Life Index, however, has not resulted in material growth in the value of the producing assets that fund future income for unitholders. The 2% increase in the Distribution Life Index, which indicates no change to income sustainability, was mainly the result of an 11% reduction in Net Debt and a 20% reduction in distribution rate. The Board of Directors of Peyto recognized that the capital investments of 2009, while profitable, were insufficient in growing the value of the producing assets and has subsequently approved a much larger capital program for 2010 of $175 to $200 million.

The following table highlights the Trust's historical Reserve and Distribution Life Index.

	2003	2004	2005	2006	2007	2008	2009
PP RLI	10	9	11	12	13	14	14
PP DLI	14	17	22	23	24	25	25

The following table outlines the 2009 performance ratios for all three reserve categories.

Performance Ratios

	Proved Producing	Total Proved	Proved + Probable Additional
FD&A Cost ($/boe) (including Drilling Royalty Credits and change in future development capital)	$13.58	$10.41	$8.80
Reserve Life Index (years) Q4 2009 average production† – 19,133 boe/d	14	21	29
Distribution Life Index (years) Q4 2009 annualized - $41.4 million	25	38	52
Reserve Replacement Ratio 2009 production† – 6.745 million boes	0.8	4.2	6.0

† *Q4 and 2009 production are estimated and remain unaudited at this time.*

- FD&A (finding, development and acquisition) costs are used as a measure of capital efficiency and are calculated by dividing the capital costs for the period, including the change in undiscounted future development capital ("FDC"), by the change in the reserves, incorporating revisions and production, for the same period (eg. Total Proved ($72.7+$223.2)/(148.857-127.156+6.745) = $10.40).

- The reserve life index is calculated by dividing the reserves (in boes) in each category by the annualized average production rate in boe/year (eg. Proved Producing 98,573/(19.133x365) = 14). Peyto believes that the most accurate way to evaluate the current reserve life is by dividing the proved developed producing reserves by the actual fourth quarter average production. In Peyto's opinion, for comparative purposes, the proved developed producing reserve life provides the best measure of sustainability.

- The distribution life index is calculated by dividing the debt adjusted undiscounted NPV by the Q4 annualized distribution (eg. Proved Producing ($4,655-$439.3 million)/(41.4x4) million/year = 25 years).

- The reserve replacement ratio is determined by dividing the yearly change in reserves before production by the actual annual production for the year (eg. Total Proved ((148,857-127,156+6,745)/6,745) = 4.2).

Reserves Committee

Peyto has a reserves committee of independent board members which reviews the qualifications and appointment of the independent reserve evaluators. The committee also reviews the procedures for providing information to the evaluators. All booked reserves are based upon annual evaluations by the independent qualified reserve evaluators in accordance with the COGE (Canadian Oil and Gas Evaluation) Handbook. The evaluations are conducted from the fundamental geological and engineering data. The reserves committee, chaired by US petroleum engineering consultant Brian Davis, has reviewed the reserves information and approved the reserve report.

2010 OUTLOOK

Although the forecast for future natural gas prices is lower today than a year ago, the current price is markedly improved from its low in August of 2009. The ongoing results from Peyto's drilling program continue to reinforce that horizontal multi-stage fracturing technology offers a more profitable exploitation strategy and the recent independent reserve evaluation confirms the majority of these opportunities are already considered proven inventory.

Since increasing the pace of capital spending in Q2 2009, Peyto's production has risen from 17,600 boe/d to current production of 21,000 boe/d. Along with the recently completed wells awaiting tie in, the four drilling rigs active in Peyto's core areas are expected to continue to increase production volumes throughout the year. The current plan for 2010 is to invest $180 million in capital and maintain the distribution at $0.12/unit/month. At this time, the budgeted cashflow after distribution plus unused bank lines will be sufficient to fund the capital program.

General

For more in depth discussion of the 2009 reserve report, an interview with the management will be available on Peyto's website by Friday, February 19, 2010. A complete filing of the Statement of Reserves (form 51-101F1), Report on Reserves (form 51-101F2), and Report of Management and Directors on Oil and Gas Disclosure (form 51-101F3) will be available in the Annual Information Form to be filed by the end of March 2010. Unitholders are encouraged to actively visit Peyto's website located at www.peyto.com. For further information, please contact Darren Gee, President and Chief Executive Officer of Peyto at (403) 237-8911 or Jim Grant, Investor Awareness, at (403) 451-4102

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. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Some values set forth in the tables above may not add due to rounding. It should not be assumed that the estimates of future net revenues presented in the tables above represent the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that

year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year.

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.