

FOR IMMEDIATE RELEASE: JANUARY 15, 2010

TSX SYMBOL: PEY.UN

**PEYTO ENERGY TRUST CONFIRMS CASH DISTRIBUTIONS FOR FEBRUARY 15, 2010
AND ANNOUNCES THE REINSTATEMENT OF AMENDED DISTRIBUTION
REINVESTMENT AND OPTIONAL TRUST UNIT PURCHASE PLAN**

CALGARY, ALBERTA-Peyto Energy Trust ("Peyto") confirms that the monthly distribution with respect to January 2010 of \$0.12 per trust unit is to be paid on February 15, 2010, for unitholders of record on January 31, 2010. The ex-distribution date is January 27, 2010.

Peyto also announces that it is reinstating its amended distribution reinvestment and optional trust unit purchase plan (the "Amended DRIP Plan"), which has been suspended since September 30, 2006. The Amended DRIP Plan will be available for the January, 2010 distribution to be paid on February 15, 2010 to Peyto unitholders of record on January 31, 2010. Unitholders who wish to participate in the Amended DRIP Plan must send a properly completed enrolment form to Valiant Trust Company no later than 3:00 p.m. (Calgary time) on the business day prior to a distribution record date (January 29, 2010 for the January, 2010 distribution). Enrolment forms are available from the Peyto website at www.Peyto.com or from Valiant Trust Company at 310, 606 – 4th Street S.W., Calgary, Alberta, T2P 1T1, Attention: Manager, Income Trusts (403) 233-2801 or facsimile: (403) 233-2857.

The Amended DRIP Plan provides eligible Peyto unitholders the advantage of accumulating additional trust units by reinvesting their cash distributions. The cash distributions will be reinvested at the discretion of Peyto, either by acquiring trust units issued from treasury at 95% of the average market price or by acquiring trust units at prevailing market rates. The average market price is calculated by the arithmetic average of the daily volume weighted average trading prices of the trust units on the Toronto Stock Exchange for the period (the "Trading Period") commencing on the second business day prior to the last distribution payment date and ending on the third business day immediately prior to the current distribution payment date. Such period will not include more than 20 trading days and the last trading day of the period will be the third business day prior to the current distribution payment date. It is the current intention of Peyto to issue trust units from treasury to satisfy its obligation under the Amended DRIP Plan and Peyto will inform participants if this changes. Neither Peyto nor the administrator of the Amended DRIP Plan charge a fee to participants. Generally, no brokerage fees or commissions will be payable by participants for the purchase of trust units under the Amended DRIP Plan, but unitholders should make inquiries with their broker, investment dealer or financial institution through which their trust units are held as to any policies of such party that would result in any fees or commissions being payable.

The Amended DRIP Plan provides unitholders who are enrolled with the opportunity to purchase new trust units at a 5% discount to the Average Market Price over the Trading Period. Under the optional trust unit purchase ("OTUPP") component of the Amended DRIP Plan, eligible unitholders can elect to purchase additional trust units from treasury for cash at a purchase price equal to 95% of the Average Market Price over the Trading Period, in minimum amounts of \$1,000 per remittance by a unitholder in any calendar month. There is a monthly limit on the aggregate amount of trust units to be issued by Peyto under the OTUPP component equal to 0.33% of the issued and outstanding trust units as of January 1 of the given year (the monthly limit being approximately 379,000 trust units for fiscal 2010). In addition, there is an overall annual limit on trust units issued pursuant to the OTUPP of 2% of the outstanding trust units at January 1 of the given year (the annual limit being approximately 2,295,000 million trust units for fiscal 2010). Accordingly, participation may be prorated in certain circumstances. Participants electing the OTUPP will be prorated according to the number of trust units each such participant has registered in

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The Amended DRIP Plan is presently available to Canadian registered holders. Non-residents of Canada, including residents of the United States, may not participate in the Amended DRIP Plan. Residents of the United States are restricted from participating in the Amended DRIP Plan as Peyto is not a registrant with the United States Securities and Exchange Commission.

Detailed information and enrolment forms pertaining to the Amended DRIP Plan can be obtained from the Peyto website at www.peyto.com. Information and enrolment forms are also available from Valiant Trust Company at 310, 606 – 4th Street S.W., Calgary, Alberta, T2P 1T1, Attention: Manager, Income Trusts (403) 233-2801 or facsimile: (403) 233-2857.

Peyto trades on the Toronto Stock Exchange under the symbol PEY.UN. Peyto Energy Trust is a natural gas weighted energy trust that is committed to building value through the exploration and development of high quality gas properties.

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:

For further information please contact:

Darren Gee
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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. Peyto disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise

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