

News release via Canada NewsWire, Calgary 403-269-7605

Attention Business/Financial Editors:

Harvest Energy Trust Confirms January 15, 2003 Cash Distribution Amount
And Announces Issuance Of 562,500 Trust Units Upon Exercise Of
Over-Allotment Option

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THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY
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(HTE.UN - TSX)

CALGARY, Dec. 17 /CNW/ - Harvest Energy Trust ("Harvest") (TSX: HTE.UN) announces that a cash distribution of \$0.20 per trust unit will be paid on January 15, 2003 to Unitholders of record on December 31, 2002. The trust units of Harvest are expected to commence trading on an ex-distribution basis on December 27, 2002. This distribution amount represents Distributable Cash earned in the month of December 2002.

The current rate of distribution represents an annualized distribution yield of 26.7% on the December 16, 2002 closing price of \$9.00. This distribution is the first payable to Unitholders following Harvest's recent Initial Public Offering of 3,750,000 trust units.

Harvest also announced today that the syndicate of underwriters led by FirstEnergy Capital Corp. and including Haywood Securities Inc. has purchased an additional 562,500 trust units of Harvest at a price of \$8.00 per trust unit for gross proceeds of \$4.5 million. The trust units were issued upon the exercise of an over-allotment option granted to the underwriters in connection with the recent Initial Public Offering of 3,750,000 trust units. After the exercise of the option, Harvest will have issued approximately 4.31 million trust units pursuant to the equity offering for gross proceeds of \$34.5 million. The net proceeds of the offering will be used to reduce the debt outstanding under the existing credit facility and to finance Harvest's ongoing development and acquisition programs. Following this closing, Harvest will have 9,462,500 units outstanding and net debt will be approximately \$42 million or 1.0 times annualized cash flow.

Harvest Energy Trust is a Calgary based oil and natural gas trust that strives to deliver stable monthly cash distributions to its Unitholders through its strategy of acquiring, enhancing and producing crude oil, natural gas and natural gas liquids. Harvest has successfully acquired high quality medium and heavy gravity crude oil properties in East Central Alberta and will endeavor to deliver superior economic returns to Unitholders. Harvest's strategy is to retain up to 50% of its Cash Available for Distribution for capital reinvestment in the form of existing property enhancement and new property acquisitions while maintaining a high rate of cash distributions. Harvest currently operates approximately 99% of its production, enabling it to pursue additional asset growth through property optimization and enhancement.

ADVISORY: The Toronto Stock Exchange has neither approved nor disapproved of the information contained herein. Certain information regarding Harvest Energy Trust and Harvest Operations Corp. including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities law and necessarily involve risks associated with oil and gas exploration, production, marketing and transportation such as loss of market, volatility of prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers and ability to access sufficient capital from internal and external sources; as a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

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(HTE.UN.)

CO: Harvest Energy Trust

ST: Alberta

IN: OIL

SU: DIV

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