

Attention Business Editors:

Harvest Energy Trust announces \$15 million equity financing

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CALGARY, Jan. 17 /CNW/ - Harvest Energy Trust ("Harvest") (TSX: HTE.UN) announces that it has entered into an underwriting agreement led by FirstEnergy Capital Corp. and including Haywood Securities Inc. to issue 1,000,000 Special Warrants at a price of \$10.00 each on a bought deal basis and has granted to the underwriters an option to purchase an additional 500,000 special warrants at a price of \$10.00 each. The underwriters may exercise this option at any time up to 48 hours prior to closing. Each special warrant will be exchangeable into one trust unit of Harvest at no additional cost to the holder. This issue is subject to normal regulatory approval and is expected to close on February 4, 2003. Harvest intends to file a prospectus to qualify the distribution of trust units on exercise of the special warrants.

Proceeds of the offering will be used to repay debt and for general working capital purposes.

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's assets, comprised of high quality medium and heavy gravity crude oil properties in East Central Alberta, and its hands on operating strategy underpin Harvest's objective 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: FNC

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