

DISCLOSURE POLICY

Provident Energy Trust (the "Trust"), Provident Energy Ltd. (the "Corporation") and their subsidiaries (collectively the Trust, the Corporation and their subsidiaries are referred to herein as "Provident") are committed to providing timely, accurate and balanced disclosure of material information about Provident, consistent with the statutory and regulatory requirements of Canada and the United States.

This disclosure policy confirms in writing the existing disclosure policies and practices of Provident. The goal of this policy is to promote consistent disclosure practices aimed at accurate, informative, timely and broadly disseminated disclosure of material information to the market and to raise awareness of Provident's approach to disclosure and promote compliance among the board of directors, officers, employees and consultants of Provident. As such, this policy applies to the board of directors, officers, employees and consultants of Provident together with any person who may be authorized to speak on behalf of Provident and, to the extent possible, others who have access to non-public material information regarding Provident.

This policy covers disclosure in documents filed with the securities commissions and stock exchanges in Canada and the United States, written statements made in the Trust's annual and quarterly reports, news releases, letters to unitholders of the Trust and other documents released to the public, the content of which would reasonably be expected to affect the market price or value of Provident's securities, including information contained on the Trust's website and other electronic communications. The policy also extends to public oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media, press conferences and conference calls and in other circumstances in which it is reasonable to expect that the information will become generally disclosed.

Disclosure Committee

Provident has established a disclosure committee (the "Committee") responsible for all regulatory disclosure requirements and for overseeing the Trust's disclosure practices. The Committee consists of the President & Chief Executive Officer, Executive Vice President, Operations and Chief Operating Officer, the Senior Vice President, Finance and Chief Financial Officer, the Assistant Corporate Secretary, the Vice President Corporate Services, the Director Investor Relations and Communications and the Director, Financial Reporting and Performance Measurement; or other designate. The Chair of the Disclosure Committee is the Senior Vice President Finance and Chief Financial Officer.

The Committee will determine when developments justify public disclosure and will meet as conditions dictate. As Provident, its directors and officers can be liable for failure to make timely disclosure of material information as required by applicable laws or for misrepresentations contained in written or oral disclosure made by Provident, *it is essential that the Committee be fully apprised of all material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential and, if so, how that material information will be controlled so as to ensure its confidentiality. All employees or consultants of Provident are required to alert any member of the Committee if they become aware of any development that might be material or of any misrepresentation contained in any of Provident's disclosure.*

The Committee is responsible for developing and implementing Provident's disclosure policy and establishing procedures for the review and release of the written and oral disclosure. In addition, the Committee is responsible for:

1. Monitoring the effectiveness of and compliance with this corporate disclosure policy;
2. Educating the directors, officers and employees of Provident about disclosure issues and this disclosure policy;
3. Reviewing and authorizing disclosure of material information (including electronic, written and oral disclosure) in advance of its public disclosure; and
4. Monitoring Provident's internal and external websites.

The Committee may designate one or more senior officers or employees of Provident to be responsible for all or any of these matters as determined by their capacity and the scope of their responsibility. The Committee may obtain professional advice to assist it in performing its duties. The Committee will review this policy on an annual basis to ensure the effectiveness of the policy and its compliance with changing regulatory requirements. The Committee will report to the Governance, Human Resources and Compensation Committee at least annually with respect to any desirable revisions to this policy, the review procedures established and the effectiveness and compliance with this policy.

Records of each meeting of the Committee will be maintained.

Designated Spokespersons

The Chairman, the President & Chief Executive Officer the Executive Vice President, Operations and Chief Operating Officer, the Senior Vice President, Finance and Chief Financial Officer, the Director Investor Relations and Communications, the Co-Presidents Midstream and the President Upstream Business Unit, (collectively, the "Representatives") of Provident shall be responsible for communication with the media, investors and analysts on behalf of Provident. The Co-Presidents Midstream and the President Upstream Business Unit shall, absent a designation by another Representative, shall only be Representatives in respect of their respective Business Units. The Representatives shall be the official spokespersons for Provident. A Representative may, from time to time, designate others (a "Designate"), within Provident to speak on behalf of Provident as back-ups, or to respond to specific inquiries from the investment community or the media.

Any persons who are not Representatives or Designates must not respond under any circumstance to inquiries from the investment community or the media, and are prohibited from otherwise publicly communicating information about or on behalf of Provident unless specifically asked to do so by a Representative. All such inquiries shall be referred to a Representative.

Any Representative may consult with Provident's legal counsel, as he or she considers necessary in connection with this policy.

Although the Representatives are responsible for communication with the media, investors and analysts on behalf of Provident, the Committee members will review all written and oral public disclosure of Provident prior to its release and, in addition, Provident's board of directors and/or certain of the committees of the board of directors will review certain public disclosure of Provident prior to its release. In particular: (i) the Committee will review all material disclosure documents prior to their release or filing; (ii) the Audit Committee of the board of directors will review Provident's annual and interim financial statements and related financial reporting, including management's discussion and analysis and financial press releases and Provident's annual information form prior to their release; and (iii) the Reserves, Operations and Environmental Health and Safety Committee of the board of directors will review any public disclosure or regulatory filings with respect to any reserves evaluations and the oil and gas activities of Provident prior to its release. Therefore, prior to the release of any such information, the Committee shall ensure that the Committee and, as applicable, the board of directors and/or the appropriate committee of the board of directors has reviewed and approved of such information being released.

Responsibility for Electronic Communications

The Committee shall be responsible for electronic communications. The Committee is responsible for monitoring all material information placed on Provident's internal and external websites to ensure that it is not misleading. Material information is misleading if it is incomplete, incorrect or omits a fact so as to make another statement misleading. Information may also be misleading if it is out of date. Any changes in material information must be updated immediately. All changes (other than changes that are cosmetic, clean-up or routine immaterial changes) to the websites must have at least three members of the Committee approve the content change, one of whom must be either the President & CEO, or Chairman of the Committee.

Provident's websites should include all publicly disclosed material information and such other investor relations information as may be determined appropriate by the Committee; provided that no document relating to an offering of securities shall be posted on such websites without first consulting Provident's legal counsel. Information should be posted to Provident's website as soon as possible following its dissemination. All data posted to the website, including text and audio-visual material, shall show the date that such material was posted.

Disclosure on the website alone does not constitute adequate disclosure of material information. Therefore, any disclosure of material information on the website will be preceded by a widely disseminated news release and, if appropriate, a securities regulatory filing.

Any one of the Representatives or a designated individual shall also be responsible for responses to electronic inquiries from the investment community, security holders or the media. Only public information or information which could otherwise be disclosed in accordance with this policy shall be utilized in responding to electronic inquiries.

Directors and officers of Provident and employees and consultants of Provident are prohibited from participating in any Internet chat room or news group discussions on any matters pertaining to Provident's activities or securities of the Trust. Directors, officers, employees and consultants who encounter a discussion pertaining to Provident on the Internet should advise the Committee immediately, in order that the discussion may be monitored if determined appropriate by the Committee.

Material Information

For the purposes of this disclosure policy, "material information" means any information relating to the business and affairs of Provident that results in, or would reasonably be expected to result in, a significant change in the market price or value of Provident's listed securities. Material information consists of both material facts and material changes relating to Provident's business and affairs and includes developments in Provident's business and affairs. Examples of some developments that may give rise to material information are as follows:

- A significant acquisition, disposition or merger;
- A new issue of securities or a significant change in capital structure;
- A significant change in financing arrangements;
- A significant change in expected earnings in the near future, such as in the next fiscal quarter;
- Significant operational events or incidents;
- Changes in share ownership that may affect control of Provident; or
- Significant changes in management or board of directors of Provident.

Announcements of an intention to proceed with a transaction or activity should not be made unless Provident has the ability to carry out the intent (although proceeding may be subject to contingencies) and a decision has been made to proceed with the transaction or activity by the board of directors of Provident or by Provident's senior management with the expectation of concurrence from the board of directors.

Principles of Disclosure of Material Information

In complying with the requirement under applicable laws and stock exchange rules to disclose material information forthwith upon the information becoming known to management or, in the case of information previously known, forthwith upon it becoming apparent that the information is material, the following basic disclosure rules will be observed:

1. The determination of whether information is considered as material information will be made by the Committee. Material information will be publicly disclosed immediately, unless it is determined by the Committee that such disclosure would be detrimental to the interests of Provident. Some examples of instances in which disclosure might be detrimental to Provident's interests are:
 - a. Release of the information would prejudice the ability of Provident to pursue specific or limited objectives or to complete a transaction or series of transactions that are under way;
 - b. Disclosure of the information would provide competitors with confidential information that would be of significant benefit to them; or
 - c. Disclosure of information regarding the status of ongoing negotiations would prejudice the successful completion of those negotiations.

If it is determined that the disclosure of material information will be delayed because such disclosure would be detrimental to the interests of Provident, complete confidentiality of the material information must be maintained. See "Maintaining Confidentiality" below.

2. Announcements of material information should be factual and balanced. Unfavorable material information must be disclosed as promptly and completely as favorable material information.

3. Disclosure must include all relevant information to ensure that no aspect of the disclosure is misleading.
4. Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person, it must be generally disclosed immediately by news release.
5. Disclosure must be updated or corrected if earlier disclosure has become misleading as a result of intervening events or if it contained a material error or misrepresentation.

Insider Trading

Securities laws prohibit insider trading and tipping. Insider trading occurs when a director, officer, employee or consultant of Provident or other person with inside information trades in securities of Provident or other affected securities while possessing material, non-public information. Tipping is when a director, officer, employee or consultant of Provident or other person with inside information passes on material, non-public information ("tips") to someone else, who then uses the information to trade in securities.

Refer to Provident's Policy on Trading in Securities by Directors, Officers, Employees and Consultants (Insider Trading and Blackout Policy) for further information on trading restrictions, trading windows and blackout periods.

News Releases

Once the Committee determines that material information exists, it will authorize the issuance of a news release, unless such material information must remain confidential for a certain time. See "Maintaining Confidentiality" below. Should non-public material information inadvertently be disclosed in a selective forum, a news release will be issued immediately in order to fully publicly disclose that information. News releases containing any earnings guidance and financial results will be reviewed by the Audit Committee prior to issuance. Financial results will be publicly released immediately following Audit Committee or board approval of the MD&A and financial statements. At least two members of the Disclosure Committee must provide approval for the issuance of the news release, one of whom must be either the President & CEO or Chairman of the Committee.

News releases will be disseminated through a news wire service that provides Canadian and U.S. simultaneous disclosure. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major national financial media and local media in areas where headquarters are located.

Regardless of when an announcement involving material information is released, the market surveillance department ("market surveillance") of the stock exchanges upon which securities of the Trust are listed (the "Exchanges") must be advised of the content of the release and supplied with a copy in advance of its release. If the Exchanges are open for trading at the time of a proposed announcement, prior notice by telephone will be provided to the market surveillance department of the Exchanges, advising of the content of the news release and of the proposed method of dissemination, with a copy of the release to follow by fax or e-mail, as required. If the announcement is issued outside of normal trading hours, market surveillance will be notified where practicable before the market opens on the next trading day, with a copy of the release to follow by fax or e-mail, as required.

News releases will be posted on Provident's website after confirmation of dissemination of such news release over the news wire. The website will include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosure.

Rumors

Provident adopts a "no comment" policy with respect to market rumors and, in that regard, authorized spokespersons for Provident shall respond to market rumors with a statement to the effect that "It is our policy not to comment on market rumors or speculation." Provident will not respond to rumors on the Internet. Should any Exchange request a definitive statement be issued in response to a market rumor that is causing volatility in the stock, the Committee will consider the matter and decide on an appropriate response.

Forward-Looking Information

Forward-looking information means all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented as either a forecast or a projection.

Provident will not release corporate or specific earnings, EBITDA or cash flow projections, provided however, Provident may, from time to time, release forward-looking information to enable the investment community to better evaluate Provident and its prospects. Where a significant increase or decrease in earnings, EBITDA or cash flow is indicated in the near future, such as the next fiscal quarter, this fact will be disclosed. Provident will not disclose significant data, and in particular financial information, earnings or cash flow forecasts or any other information which would be material information, to analysts or investors unless such data or information has been previously publicly disseminated. Forward-looking information may be disclosed where such disclosure is legally required.

Forward-looking information provided in a disclosure document must contain, proximate to that information: (a) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and (b) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information. In the case of a public oral forward-looking statement, the person making such statement shall: (a) make a cautionary statement that the oral statement contains forward-looking information; and (b) state that (i) actual results could differ materially from a conclusion, forecast or projection in the forward-looking information, (ii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information; and (iii) additional information about the material factors that could cause actual results to differ materially from the conclusion, forecast or projection as reflected in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information is contained in a readily available document that is identified.

Contacts with Analysts, Investors and the Media

Provident recognizes that analysts are important for disseminating information respecting the Trust to the investing public and play a key role in interpreting and clarifying existing public data, as well as providing investors with background information and details that cannot practically be put in public documents. Representatives of Provident will meet with analysts and investors on an individual or small group basis as needed, and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this policy. Provident will provide only non-material information or publicly disclosed information to such analysts or investors and will provide the same information that has been provided to analysts to individual investors who request it.

It is recognized that disclosure of non-public material information to analysts, investors or the media does not constitute adequate disclosure for the purposes of applicable securities laws. If material information is to be announced at an analyst or unitholder meeting, press conference or conference call, its announcement must be preceded by a widely disseminated public announcement of such information via news release.

Provident shall maintain a written file which shall include a summary of meetings, debriefing notes and all other documents relating to Provident from all meetings with analysts, investors and the media and, where practicable, other public oral statements. This file is to be maintained by the Senior Manager, Investor Relations and Communications.

A review should be conducted after meetings with analysts, investors or the media and other public oral statements to ensure that selective disclosure of non-public material information has not been made and that the statements made do not contain a misrepresentation. If selective disclosure of non-public material information has been made, such information shall be immediately disclosed by a widely disseminated news release. If a misrepresentation has been made, it shall be immediately corrected.

Quiet Periods

In order to avoid the potential perception or appearance of selective disclosure, Provident will observe a quarterly quiet period, during which no meetings or telephone contacts with analysts and investors will be initiated, (other than responding to immaterial routine queries) and no earnings or other guidance is provided. The quiet period will correspond with the quarterly blackout period which applies to all directors, officers and employees of Provident, beginning 7 days before a Board or Audit Committee meeting to approve quarterly financial statements reflecting operating results and ending with the widespread dissemination of the news release announcing such results.

Reviewing Analyst Draft Reports and Models

Provident may from time to time review analyst's draft reports or models for the purpose of identifying to the analyst publicly disclosed factual information that may affect the report or model or pointing out inaccuracies or omissions with reference to publicly available information about Provident.

Analyst reports are proprietary information belonging to the analyst's firm which will not be posted on or linked to Provident's website. A list of analysts covering Provident, and their contact

numbers, may be posted on Provident's website and provided to anyone requesting such information.

Conference Calls

Conference calls may be held with members of the investment community to discuss financial and operating results or other significant developments following the widespread dissemination of the news release announcing such results or developments. The date and time of the call, the subject matter of the call and the means for accessing it shall be included in a news release (such news release to be disseminated in advance of the news release announcing the financial and operating results to be discussed) and may be announced on Provident's website. Conference calls shall be held in an open manner allowing members of the investment community and any other interested party to listen either by telephone and/or through a webcast. During the call, a spokesperson of Provident will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, risks and uncertainties. A tape recording of the conference call will be made available for a period of one month following the call on either a toll-free number or an archived audio webcast on the Internet.

Conference calls relating to the business developments of the Trust and other material information likely to affect the Trust's unit price should, where possible, be scheduled outside trading hours, to avoid or minimize the risk of selective disclosure. All non-material supplemental information will be posted on the Trust's website.

A review should be conducted after the conference call to ensure that selective disclosure of non-public material information has not been made and that the statements made do not contain a misrepresentation. If selective disclosure of non-public material information has been made, Provident will disclose such information promptly via widely disseminated news release. If a misrepresentation has been made, it shall be immediately corrected.

Retention Period for Disclosure Material

A file will be maintained containing all material information about Provident, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls and where practicable, other public oral statements, debriefing notes and newspaper articles. This responsibility will be handled jointly with the Senior Manager, Investor Relations and Communications and Assistant Corporate Secretary.

The minimum retention period for material information posted on the Trust's website and transcripts or tape recordings of conference calls shall be two years. Specifically, news releases and quarterly and annual reports shall be kept for a period of six years.

Maintaining Confidentiality

At any time when material information has not been disclosed, Provident is under a duty to take precautions to keep such information confidential. Efforts will be made to limit access to such confidential information to only those who need to know the information to perform their duties, and such persons will be advised that the information is to be kept confidential.

Material information should not be disclosed by directors, officers, employees or consultants to outside parties except in the necessary course of business. Outside parties privy to undisclosed material information concerning Provident will be told they must not divulge such information to anyone else, other than in the necessary course of business, and that they may not trade in securities of the Trust until the information has been generally disclosed. Provident may, if deemed appropriate, require such outside parties to enter into a confidentiality agreement.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

1. Confidential matters should not be discussed in places where the discussion may be overheard.
2. Confidential documents should not be read in public places and should not be discarded where others can retrieve them. Directors, officers, employees and consultants should not leave confidential information in their homes.
3. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
4. Access to confidential electronic data should be restricted through the use of passwords.
5. Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" in the necessary course of business. Code names should be used if necessary.

All proprietary information, including computer programs and other records, remain the property of Provident and may not be removed, disclosed, copied or otherwise used except in the normal course of employment or with prior permission.

Communication and Enforcement

All directors and officers of Provident and employees and consultants of Provident will be advised of this policy and its importance upon hire, and annually thereafter.

A director, officer, employee or consultant who violates this policy may face disciplinary action up to and including termination of employment in the case of employees and termination of the consulting agreement in the case of consultants. Violation of this policy may also cause violation of certain Canadian and United States securities laws. If it is discovered that securities laws have been violated, this matter may be referred to the appropriate regulatory authorities.