



March 2008

Dear Unitholder:

Re: NAFTA Claim by Foreign Investors against Canada regarding Canadian Energy Trusts

On October 30, 2007, a Notice of Intent to submit an international arbitration claim with respect to the Canadian Government's plan to impose a tax on publicly traded trusts was filed by two income trust unitholders from the United States. The Notice challenges the actions of the Canadian Government and seeks monetary compensation for losses related to those actions. It is our understanding that all U.S. and Mexican citizens who held units in a Canadian energy trust on October 31, 2006 may also be eligible to file a similar claim, regardless of whether these units were held directly by those citizens or indirectly through a business enterprise, such as a mutual fund.

Provident Energy Trust is not involved in these NAFTA claims, and is only providing information to make our U.S. and Mexican unitholders aware of this potential course of action. Those unitholders wishing further information about this claim and the NAFTA process may visit the following website, www.naftatrustclaims.com; alternatively you may call 1-773-775-0873.

This notice to you is being provided solely for informational purposes and should not be in any way considered a recommendation.

Thank you for your investment in Provident Energy Trust

Sincerely,

PROVIDENT ENERGY TRUST

A handwritten signature in black ink, appearing to read 'T. Buchanan', is written over a horizontal line.

Thomas W. Buchanan
President and CEO