

NEWS RELEASE

OCTOBER 4, 2022

SYMBOL: PEY – TSX

PEYTO ANNOUNCES LEADERSHIP UPDATE

CALGARY, ALBERTA – Peyto Exploration & Development Corp. (“Peyto” or the “Company”) announces today that Darren Gee will retire as Chief Executive Officer of Peyto at the end of 2022. As part of an orderly and planned leadership succession process, the Company’s current President and Chief Operating Officer, Mr. Jean-Paul Lachance will advance to the position of President and CEO at that time. Mr. Lachance, who joined Peyto in 2011 as the VP Engineering and assumed the role of President in November of 2021, will continue to lead Peyto’s senior management team which remains unchanged.

“I’m retiring after more than 21 years at Peyto and at a time when the company and its future looks extremely bright. JP and the entire Peyto team are about to embark on the next chapter with an enormous depth of opportunities, a solid balance sheet and strong earnings growth potential. I suspect growing dividends will reflect those earnings. Peyto’s long-term, returns-driven strategy has already created much value for shareholders over the years and it is one that is embodied by every single employee at Peyto. I want to thank our chairman, Don Gray, and the entire Board of Peyto for their wisdom, support and guidance over the last 16 years as CEO. It has been my great honor and privilege to be able to work with such talented and dedicated people, and to serve as the Company’s leader through a period of significant growth and challenging energy markets,” said Mr. Gee.

Chairman Don Gray commented, “On behalf of the Peyto Board and the shareholders of Peyto, I’d like to thank Darren for his dedication and service to Peyto. Darren joined the Peyto team in 2001 and has been instrumental in growing our company from 2,000 boe/d to over 100,000 boe/d. Darren has ensured that Peyto’s culture of honest, transparent communications with shareholders is stronger today than ever. He has kept the company on the best path forward for all stakeholders, by focusing our investments on the highest quality oil and gas projects. He has built the next generation of leaders at Peyto who understand what makes an exceptional Canadian energy company. We are very happy for him and his family on reaching this milestone.”

Mr. Gee’s involvement in Peyto will continue as a director on the board and significant investor.

In addition, Peyto is pleased to announce that Debra Gerlach will be joining Peyto’s Board of Directors starting November 1, 2022. Ms. Gerlach was a partner with Deloitte LLP for over 21 years where she gained significant exposure to the energy sector. She is a Chartered Professional Accountant and holds a Bachelor of Commerce and MBA degree from the University of Calgary. It is expected Ms. Gerlach will join the Audit, ESG and Compensation and Nominating committees of the Board.

Shareholders and interested investors are encouraged to visit the Peyto website at www.peyto.com to learn more about what makes Peyto one of North America’s most exciting energy companies. For more information, contact Peyto at 403-261-6081.

Cautionary Statements

Forward-Looking Statements

This news release contains certain forward-looking statements or information (“forward-looking statements”) as defined by applicable securities laws that involve substantial known and unknown risks and uncertainties, many of which are beyond Peyto’s control. These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact may be forward-looking statements. The use of any of the words “plan”, “expect”, “prospective”, “project”, “intend”, “believe”, “should”, “anticipate”, “estimate”, or other similar words or

statements that certain events "may" or "will" occur are intended to identify forward-looking statements. The projections, estimates and beliefs contained in such forward-looking statements are based on management's estimates, opinions, and assumptions at the time the statements were made, including assumptions relating to: macro-economic conditions, including public health concerns (including the impact of the COVID-19 pandemic) and other geopolitical risks, the condition of the global economy and, specifically, the condition of the crude oil and natural gas industry, and the ongoing significant volatility in world markets; other industry conditions; changes in laws and regulations including, without limitation, the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; increased competition; the availability of qualified operating or management personnel; fluctuations in other commodity prices, foreign exchange or interest rates; stock market volatility and fluctuations in market valuations of companies with respect to announced transactions and the final valuations thereof; results of exploration and testing activities; and the ability to obtain required approvals and extensions from regulatory authorities. Management of the Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurances 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 from them. As such, undue reliance should not be placed on forward-looking statements. Forward-looking statements contained herein include, but are not limited to, statements regarding: the future outlook for commodity prices; expectations regarding the Company's margin of profit; the Company's intention to reduce indebtedness and increase dividends; anticipated improvement of costs and profitability; and the Company's overall strategy and focus.

The forward-looking statements contained herein are subject to numerous known and unknown risks and uncertainties that may cause Peyto's actual financial results, performance or achievement in future periods to differ materially from those expressed in, or implied by, these forward looking statements, including but not limited to, risks associated with: continued changes and volatility in general global economic conditions including, without limitations, the economic conditions in North America and public health concerns (including the impact of the COVID-19 pandemic); continued fluctuations and volatility in commodity prices, foreign exchange or interest rates; continued stock market volatility; imprecision of reserves estimates; competition from other industry participants; failure to secure required equipment; increased competition; the lack of availability of qualified operating or management personnel; environmental risks; changes in laws and regulations including, without limitation, the adoption of new environmental and tax laws and regulations and changes in how they are interpreted and enforced; the results of exploration and development drilling and related activities; and the ability to access sufficient capital from internal and external sources. In addition, to the extent that any forward-looking statements presented herein constitutes future-oriented financial information or financial outlook, as defined by applicable securities legislation, such information has been approved by management of Peyto and has been presented to provide management's expectations used for budgeting and planning purposes and for providing clarity with respect to Peyto's strategic direction based on the assumptions presented herein and readers are cautioned that this information may not be appropriate for any other purpose. Readers are encouraged to review the material risks discussed in Peyto's annual information form for the year ended December 31, 2021 under the heading "Risk Factors" and in Peyto's annual management's discussion and analysis under the heading "Risk Management".

The Company cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. 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 Peyto will derive there from. The forward-looking statements, including any future-oriented financial information or financial outlook, contained in this news release speak only as of the date hereof and Peyto does not assume any obligation to publicly update or revise them to reflect new information, future events or circumstances or otherwise, except as may be required pursuant to applicable securities laws.