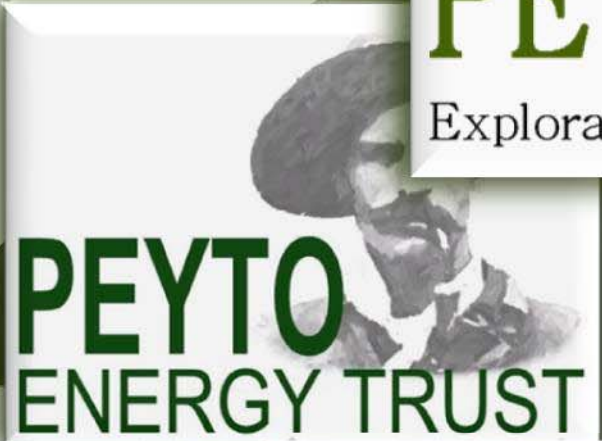


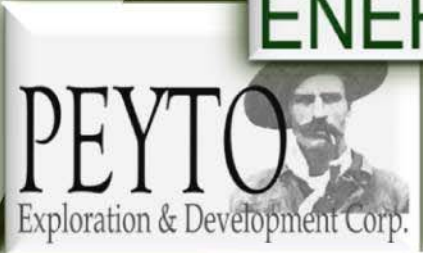
PEYTO
Exploration & Development Corp.

2011 -



PEYTO
ENERGY TRUST

2003 - 2010



PEYTO
Exploration & Development Corp.

1998 - 2003



Advisory

Regarding Forward-Looking Statements

This presentation contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this presentation contains forward looking statements and information concerning Peyto Energy Trust ("Peyto") production; reserves, resources and gas in place; undeveloped land holdings; reserve life index; product mix; business strategy; future development and growth prospects, profile targets and rates; prospects; asset base; tax pools; drilling locations and inventory, down-spacing potential; exploration risk; access to capital; future cash flow, value, debt levels and debt to cash flow; capital investment and expenditure programs and the funding thereof; anticipated cash-on-cash yield; net asset value; credit facility; and statements with respect to levels of distributions to be paid to unitholders, distribution policy, and the timing of payment of such distributions.

The forward-looking statements and information are based on certain key expectations and assumptions made by Peyto, including expectations and assumptions concerning prevailing commodity prices and exchange rates, applicable royalty rates and tax laws; future well production rates; reserve and resource volumes; the performance of existing wells; the success obtained in drilling new wells; and the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labour and services. Although Peyto believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because Peyto can give no assurance that they will prove to be correct.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve and resource estimates; the uncertainty of estimates and projections relating to reserves, resources, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; ability to access sufficient capital from internal and external sources; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Peyto are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). The forward-looking statements and information contained in this presentation are made as of the date hereof and Peyto undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

The information contained in this presentation does not purport to be all-inclusive or to contain all information that a prospective investor may require. Prospective investors are encouraged to conduct their own analyses and reviews of Peyto and of the information contained in this presentation. Without limitation, prospective investors should consider the advice of their financial, legal, accounting, tax and other advisors and such other factors that they consider appropriate in investigating and analyzing Peyto.

Reserves

The recovery and reserve estimates of Peyto's crude oil, natural gas liquids and natural gas reserves provided in the presentation are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas liquids and natural gas reserves may be greater than or less than the estimates provided herein. Reserve and production volumes are quoted before royalty deductions.

Barrels of Oil Equivalent

"Boe" means barrel of oil equivalent on the basis of 1 boe to 6,000 cubic feet of natural gas. Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 1 boe for 6,000 cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Original Gas in Place

Original gas in place includes both discovered and undiscovered resources, and there is no certainty that any portion of the undiscovered resources will be discovered and, if discovered, that any volumes will be economically viable or technically feasible to recover or produce. Original gas in place also includes volumes that have already been produced from such accumulations. Readers should not unduly rely upon estimates of original gas in place in terms of assessing the combined company's reserves or recoverable resources.

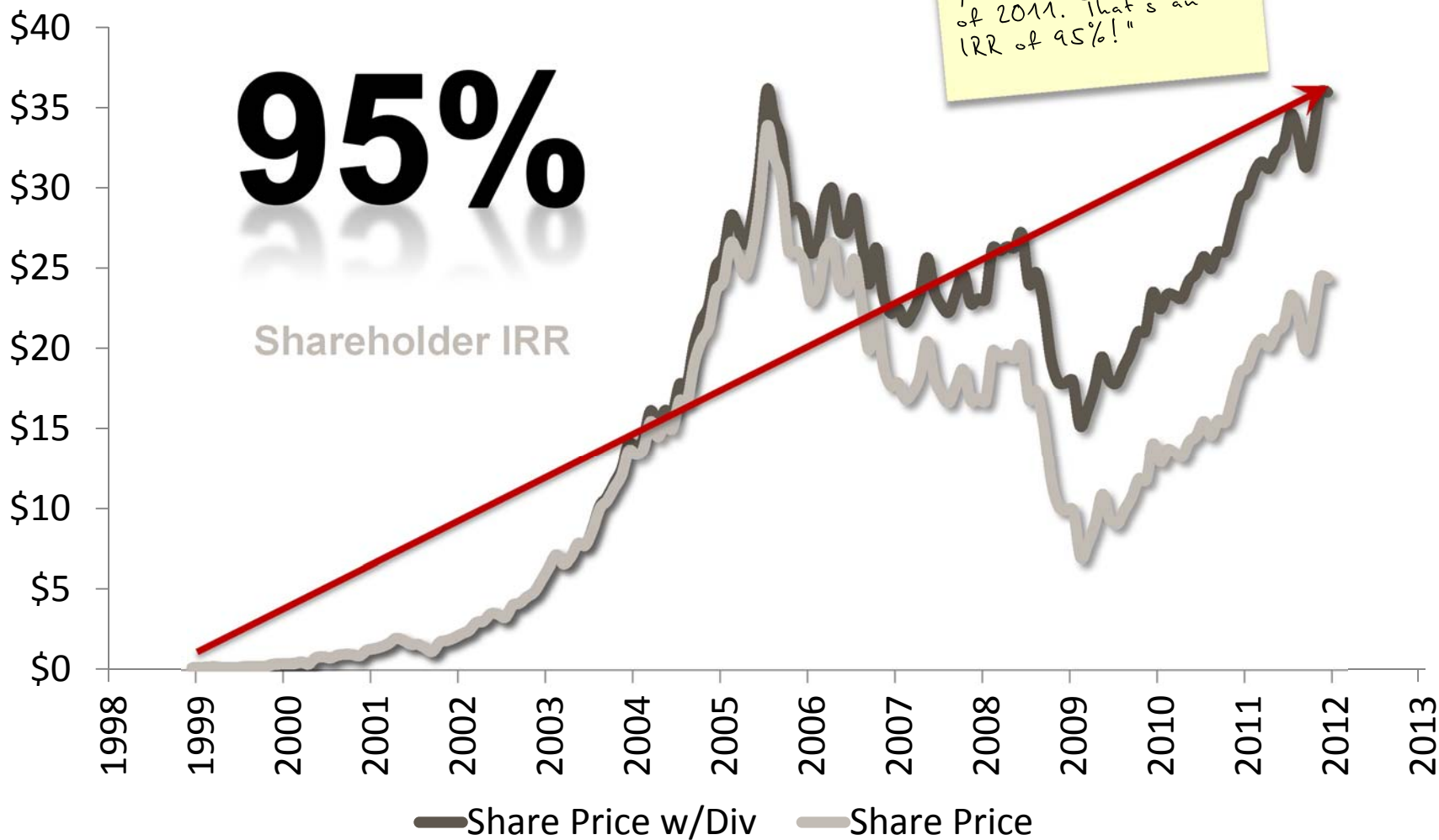
Prices

All dollar values are quoted in Canadian currency.

The Peyto Strategy

Superior Shareholder Return

"In simple terms \$1000 invested into Peyto back in 1998, was worth close to \$500,000 at the end of 2011. That's an IRR of 95%!"



Historical Per Unit and Units Outstanding numbers have been adjusted to reflect the May 27, 2005 2:1 stock split
 Oct 23, 1998 price of \$0.075/share, Dec 30, 2011 price of \$24.39/share

The Peyto Strategy

High Returns on Capital and Equity

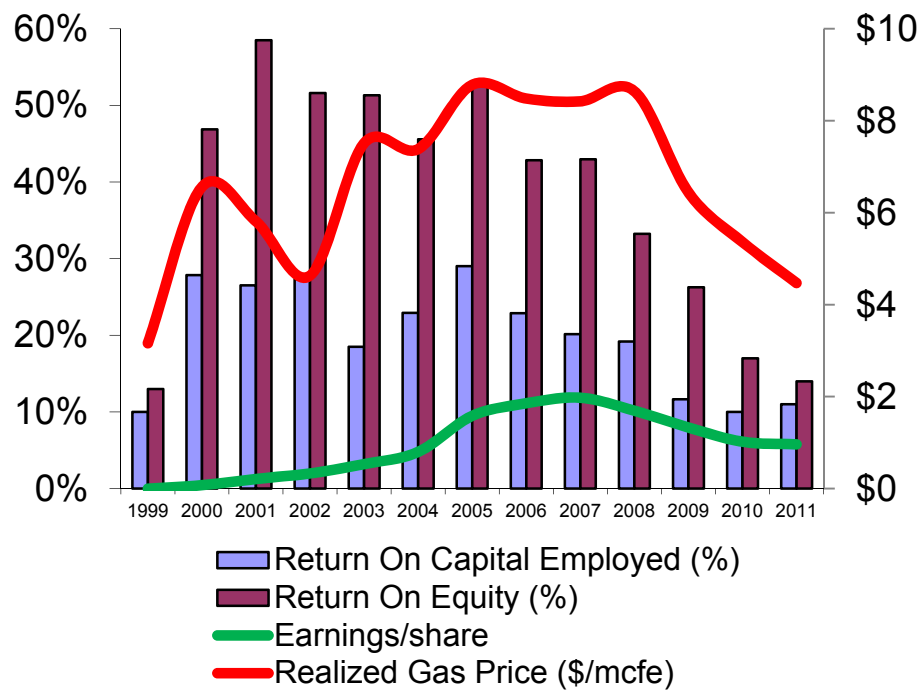
"Good well economics and IRRs should translate into good corporate returns. Peyto's do, with average ROE of 40% and ROCE of 21%."

40%

12 yr Average ROE

21%

12 yr Average ROCE



Return on Equity (ROE) is earnings for the period divided by average unitholders equity – reveals how much profit a company generates with the money shareholders have invested

Return on Capital Employed (ROCE) is earnings before interest and tax for the period divided by total assets less current liabilities - indicates the efficiency and profitability of a company's capital investments

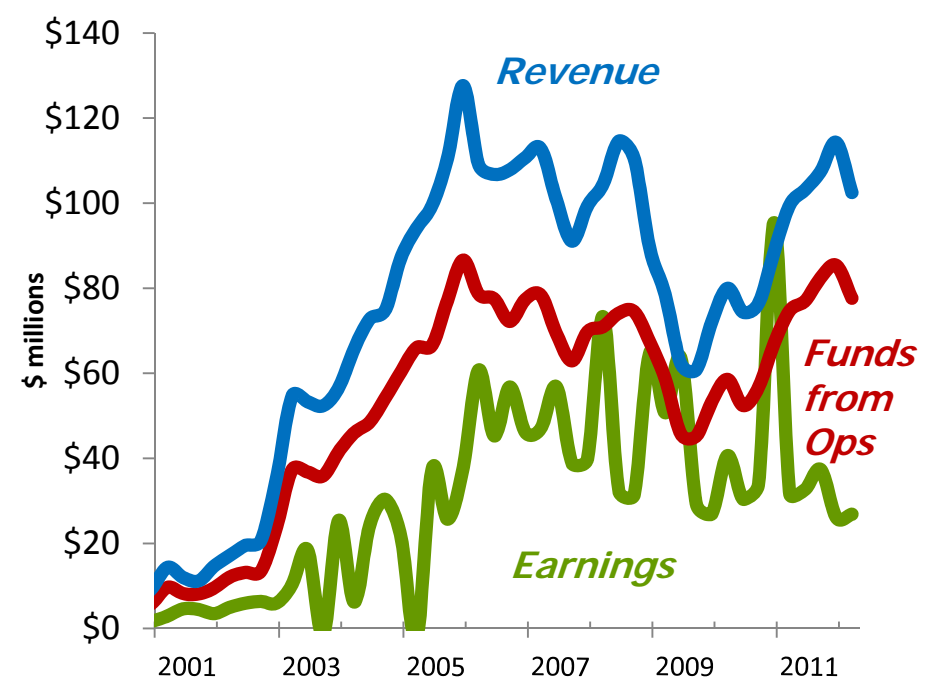
The Peyto Strategy

Strong Operating and Profit Margins

"Low costs drive strong margins and profits, regardless of where you are in the commodity price cycle. That has always been the Peyto advantage."

38%

Profit Margin
(last 12 yrs)



Funds from Operations is defined as earnings before performance based compensation, non-cash and non-recurring expenses.
Profit Margin is earnings divided by revenues inclusive of realized hedging gains/losses

The Peyto Strategy

Controlling Costs

"A simple cost analysis shows where Peyto's profits come from. PDP FD&A is a good proxy for replacement cost and tends to match real depletion."

	<u>PEY 2011</u>
PDP FD&A \$/mcfe	(\$2.12)
Cash Costs \$/mcfe	(\$1.35)
Sales Price \$/mcfe	<u>\$5.47</u>
Profit	\$2.00

Land	\$25MM
Seismic	\$3MM
Drilling	\$175MM
Compl.	\$104MM
Wellsite	\$32MM
Facilities	<u>\$40MM</u>
	\$379MM
ΔPDP Reserves (before Prod.)	30 mmboes
PDP FD&A	\$12.72/boe
	\$2.12/mcfe

Royalties	(\$0.53)
Opex	(\$0.35)
Transport	(\$0.13)
G&A	(\$0.06)
Interest	<u>(\$0.28)</u>
Total Costs	(\$1.35/mcfe)

\$3.91/GJ
<u>x 140%*</u>
\$5.47/mcfe

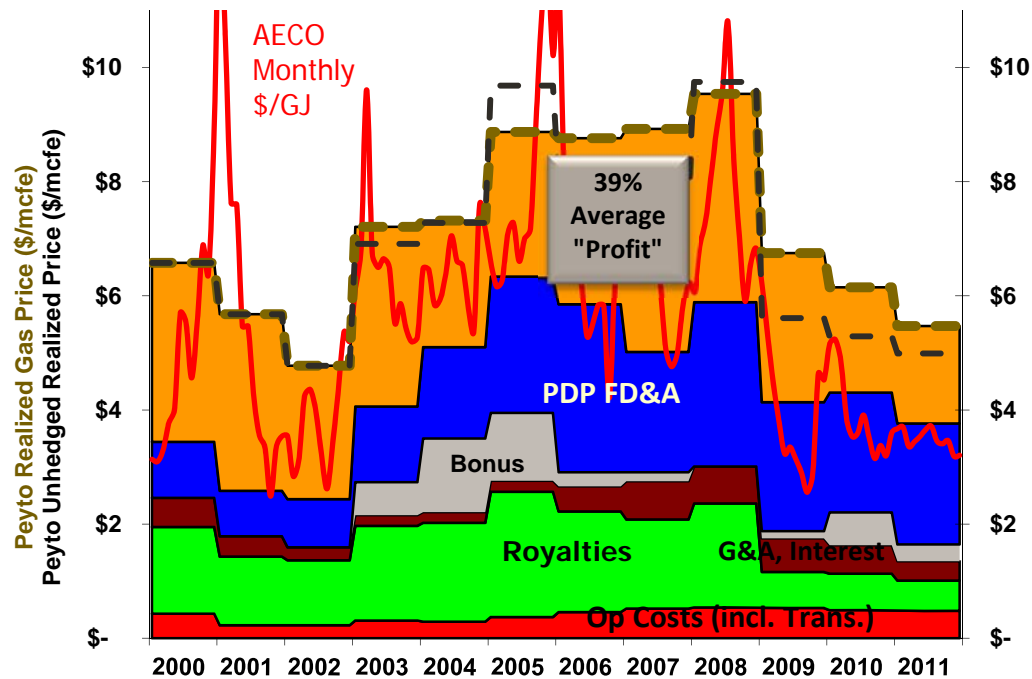
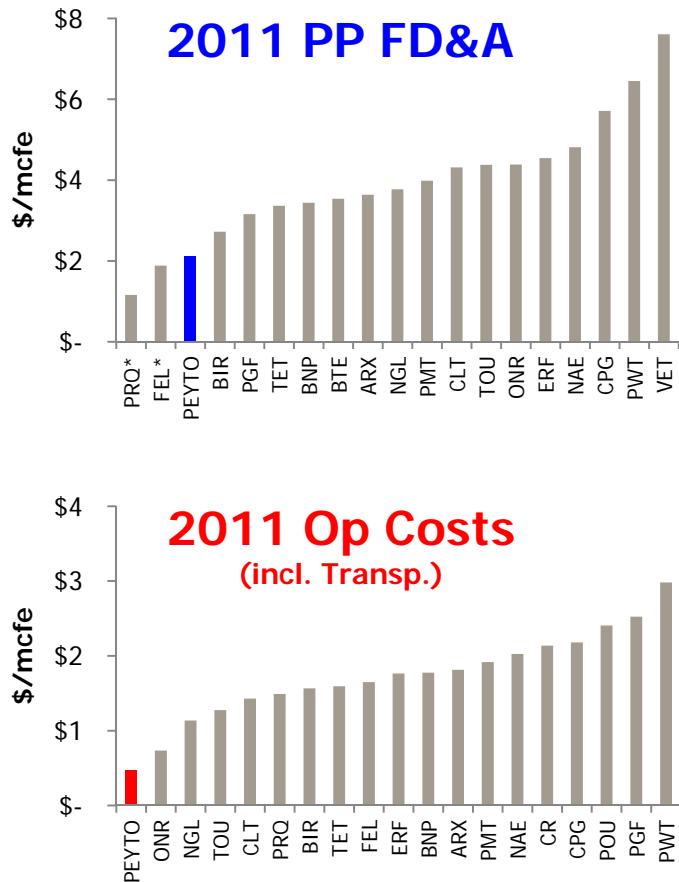
BOE factor - 6 mcfe = 1 bbl of oil equivalent

* 2011 uplift for NGLs and heat content from unhedged natural gas price (\$/GJ) to realized effective price (\$/mcfe)

The Peyto Strategy

"Build it for less than you sell it"

"Peyto is quite simply a profitable business, consistently building it for less than we sell it, throughout the commodity price cycle."



BOE factor - 6 mcf = 1 bbl of oil equivalent

* Proved Producing FD&A inclusive of significant dispositions

The Peyto Strategy

Cost Control Challenges for the Canadian Industry

"The Canadian industry is struggling to generate profits with current costs and commodity prices. That makes sustainable dividends difficult too."

	<u>CND 2011*</u>	<u>CND 2010*</u>	<u>CND 2009**</u>
<i>PDP FD&A</i> \$/mcfe	(\$4.20)	(\$4.74)	(\$4.31)
<i>Cash Costs</i> \$/mcfe	(\$3.91)	(\$3.64)	(\$3.63)
<i>Sales Price</i> \$/mcfe	<u>\$7.89</u>	<u>\$7.60</u>	<u>\$7.27</u>
<i>Loss</i>	(\$0.22)	(\$0.78)	(\$0.68)

*Includes: AAV,ARX,BIR,BNP,BTE,CLT,CPG,CR,ERF,FEL,NAE,NGL,PBN,PGF,PMT,POU,PRQ,PWT,TET,TOU,VET,ZAR

**Includes: AAV,ARX,BIR,BNP,BTE,CLT,CPG,CR,FEL,NAE,NGL,PGF,PMT,PRQ,PWT,TET,VET,ZAR

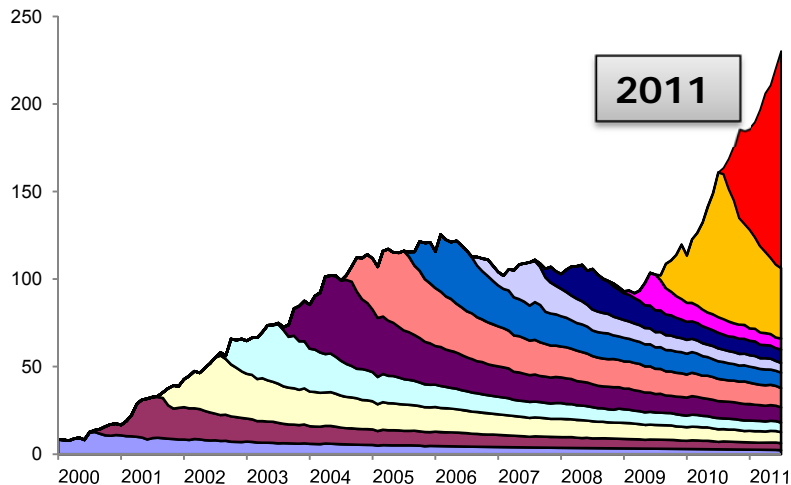
Peyto's Profitable Business



Peyto's Business

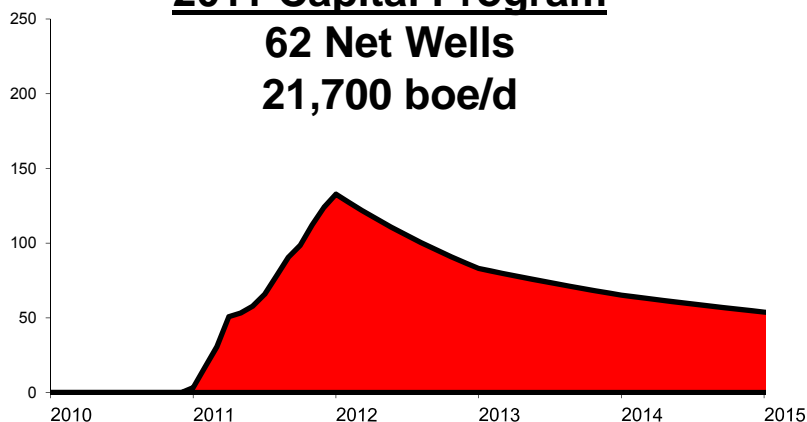
Returns Driven

"The entire 2011 capital program (incl. wells, land, seismic & facilities) generated 31% IRR and turned \$284 MM into \$708MM PV₅ (\$524M PV₁₀) based on the engineering evaluation."



2011 Capital Program

62 Net Wells
21,700 boe/d



\$284M → \$708M

Net Capital to PV₅

35%

Production/share growth

19%

2P Reserves/share growth

31%

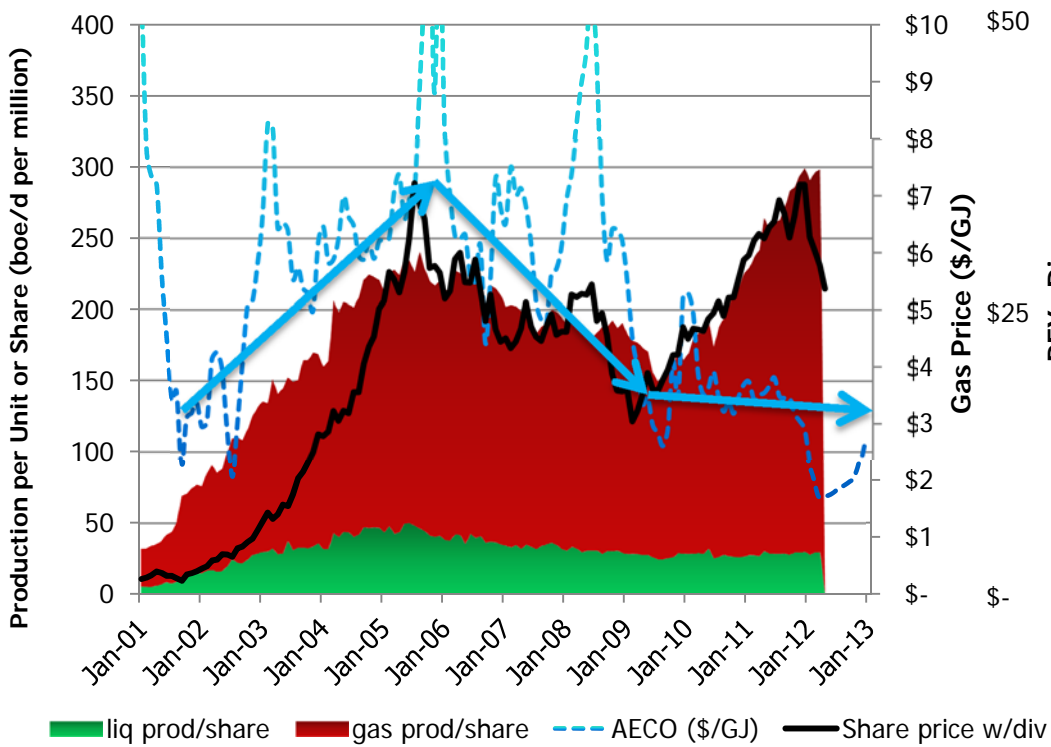
IRR

Note: liquids are converted to molar equivalent gas volume for this analysis (1 bbl approximately equal to 1.13 mcf)
Based on IPC is InSite Petroleum Consultants (formerly Paddock Lindstrom & Ass.) - Dec 31, 2011 Reserve Report.
Net Capital for 2011 equals \$379MM total capital investment less \$95MM of operating income generated in 2011

Peyto's Business

Growth per Share

"Peyto delivered 35% production per share growth from Q4 2010 to Q4 2011. Over the last 2.5 yrs production per share has doubled, and that's at \$3-4/GJ gas price."



35%

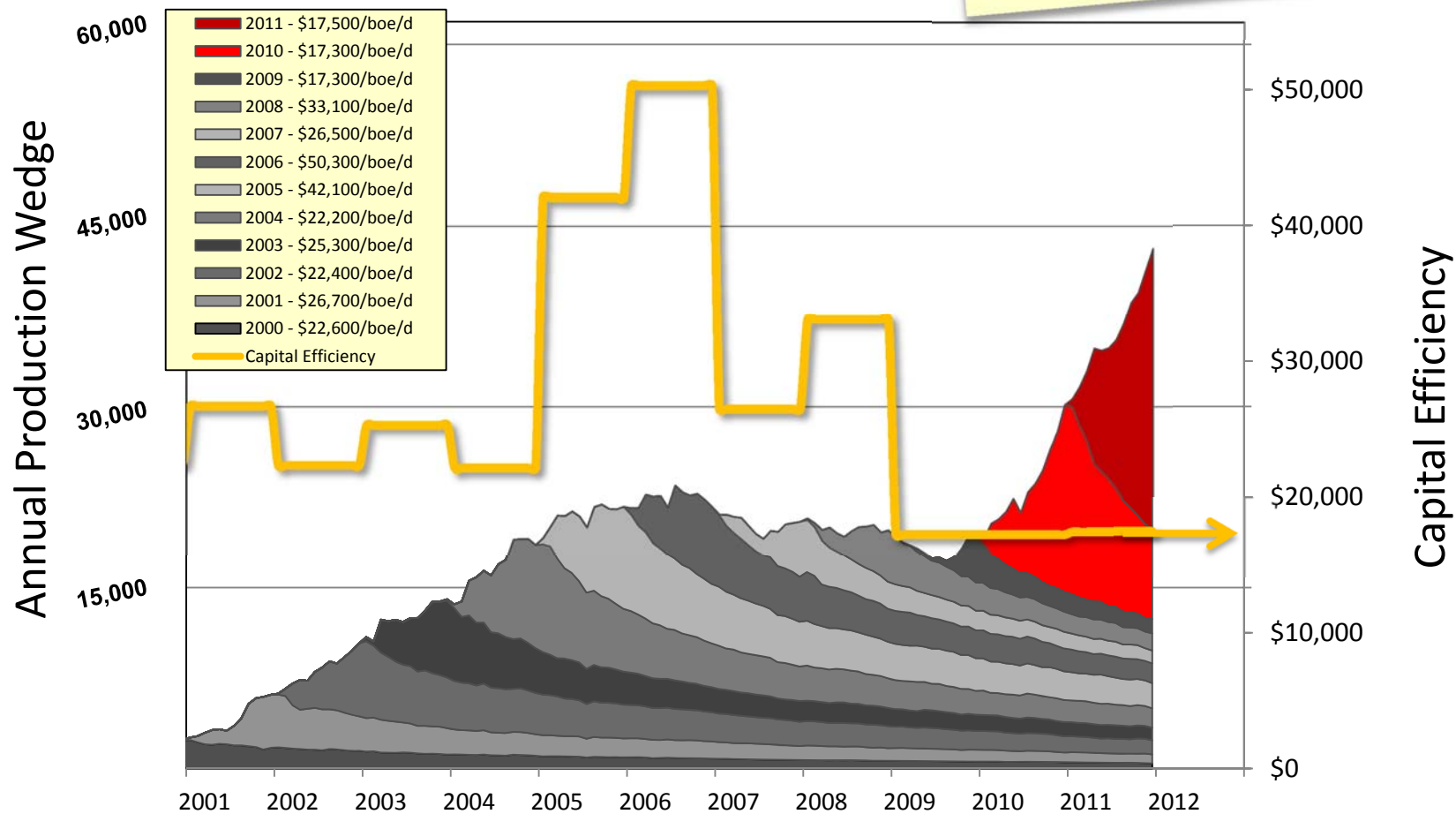
YoY production growth/share

Historical Per Unit (share) and Units (shares) Outstanding numbers have been adjusted to reflect the May 27, 2005 2:1 stock split
 BOE factor - 6 mcf = 1 bbl of oil equivalent

Peyto's Business

Focus on Returns Drives Capital Discipline

"Improvements in capital efficiency have resulted in larger capital programs for 2010 & 2011 and record wedges of new production (2011 wedge was 21,700 boe/d!)."



* Capital Efficiency is the cost to add new production measured at Dec 31 each year. Example: In 2011, Peyto invested \$379MM to build 21,700 boe/d for a capital efficiency of \$17,500/boe/d.

Peyto's Unique Assets



Peyto's Assets

Geographically Focused Core Areas

"Peyto operates 99% of its production and processes 98% of that production through the five, 100% owned and operated, gas plants. Concentration and control are how you achieve low costs."

98%

Processed by Peyto

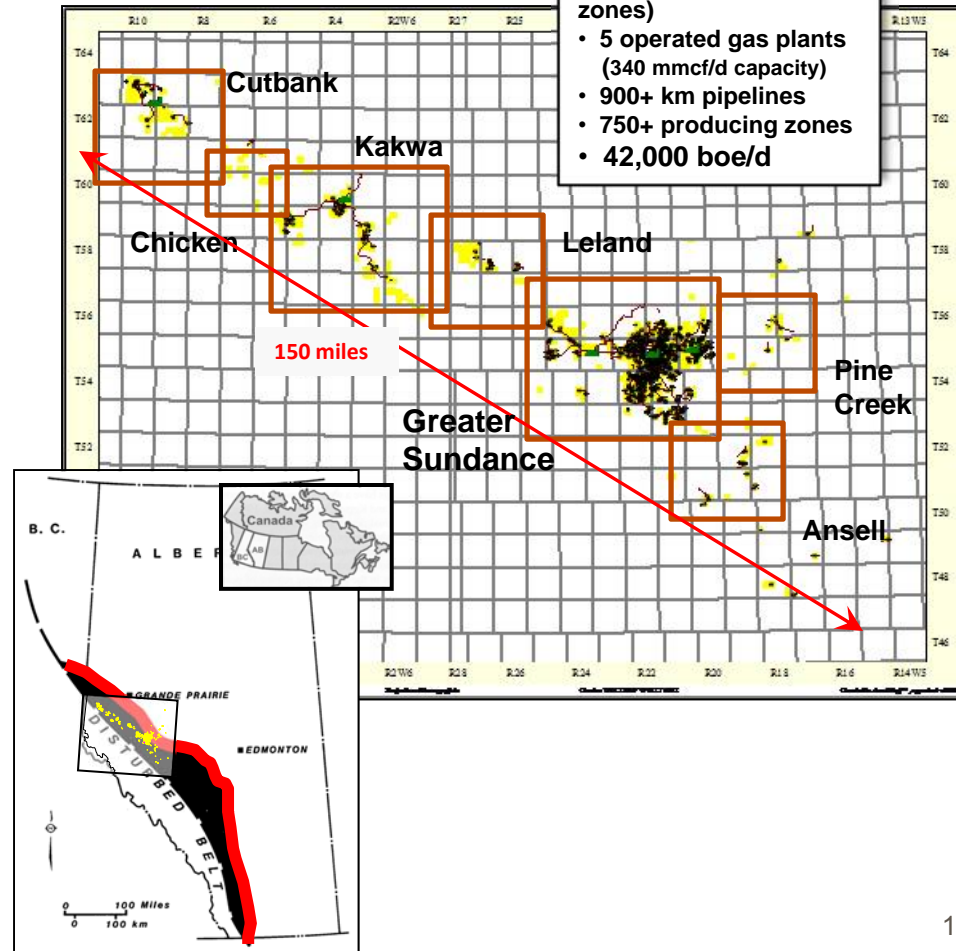
99%

Operated by Peyto

100%

Interest in 5 Processing Facilities

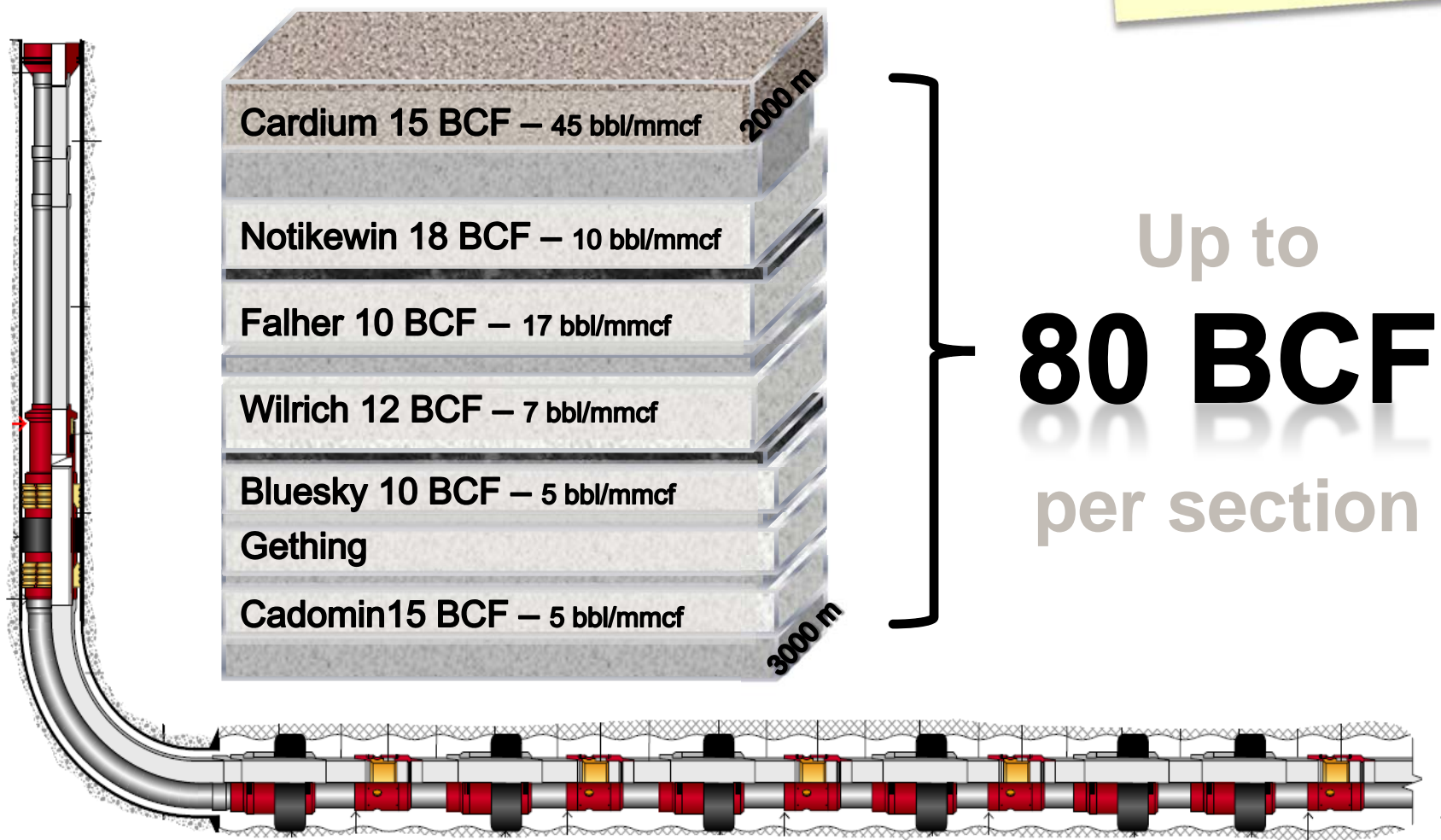
- 313,800 net acres (825,000 net acres for all zones)
- 5 operated gas plants (340 mmcf/d capacity)
- 900+ km pipelines
- 750+ producing zones
- 42,000 boe/d



Peyto's Assets

Applying Hz Technology to Tight Deep Basin Sands

"At 15 bcf per section, the 63 new sections bought in 2011 (at less than \$520/ac) have up to 1.0 TCF of resource potential in just one of the prospective horizons."



*NGL recoveries can increase by up to 15 bbl/mmf with deeper cutting processing facilities

Peyto's Assets

Deep Basin Lands Go A Long Way

471

Net Peyto Sections

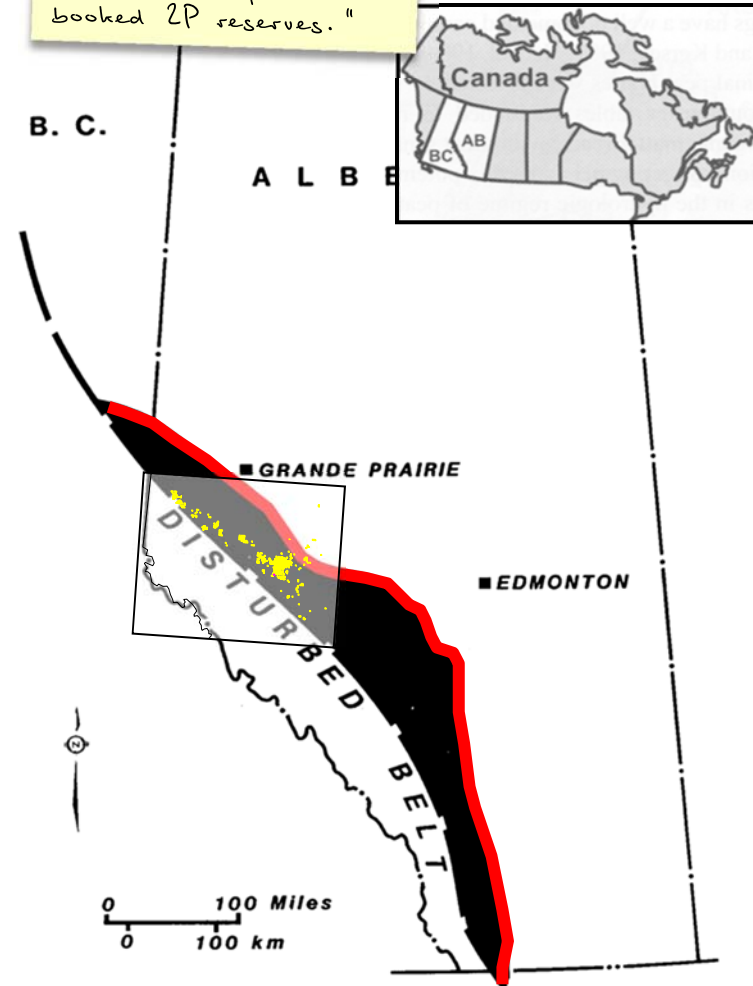
1,289

Net Sections of Cardium, Dunvegan,
Notikewin, Falher, Wilrich, Bluesky, & Cadomin

228

Net Sections for 2.2 TCFe of 2P EUR

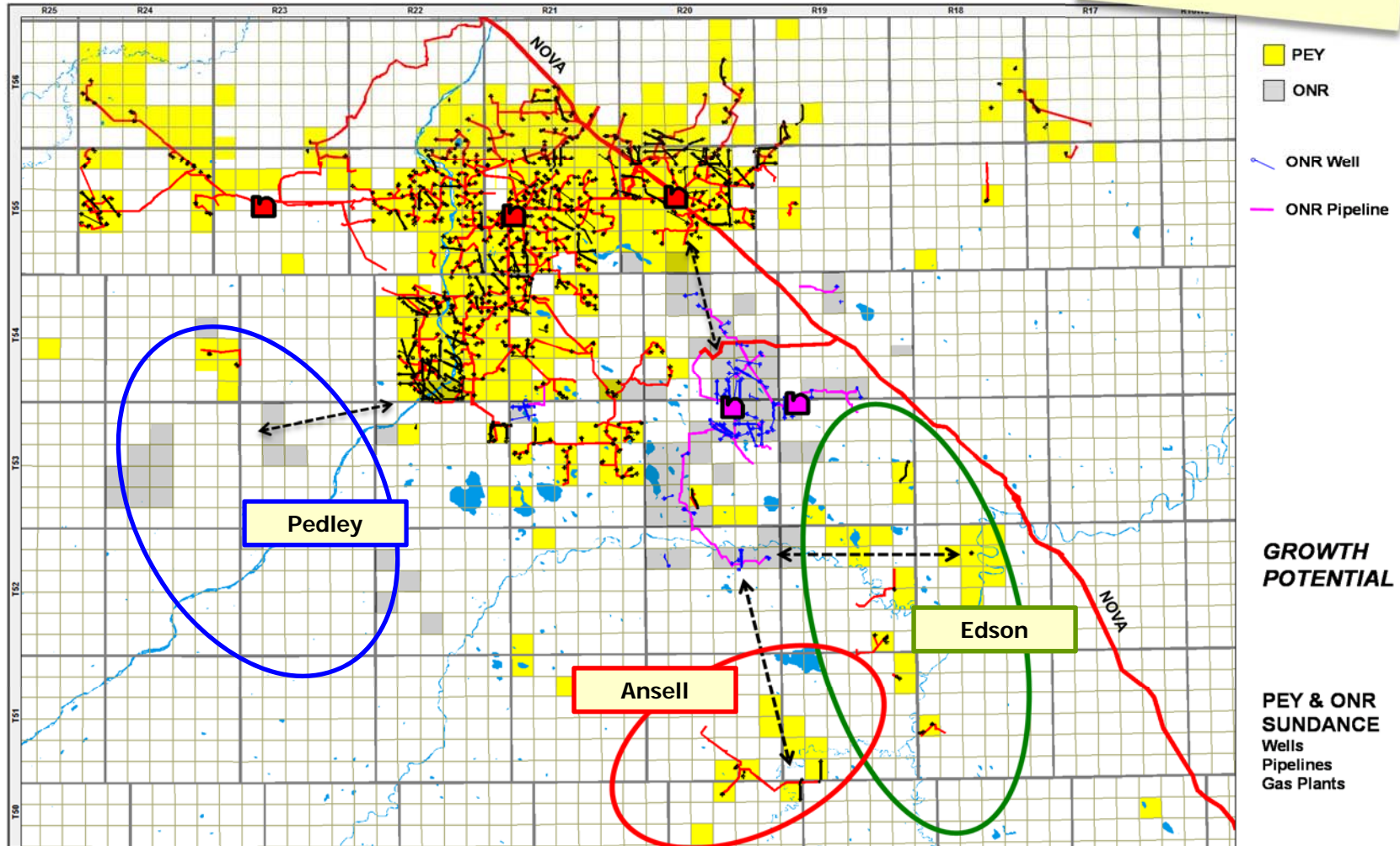
"The multi zone potential of the deep basin turns 471 sections into 1289 sections, of which only 18% are recognized in the reserve report with booked 2P reserves."



PEY/ONR Strategic Fit

Infrastructure Access for Peyto Step-out Areas

"The ONR acquisition is a very logical one. Their asset base and infrastructure is right in our backyard and will help convert our step-out areas."



Peyto's Assets

Large Hz MSF Inventory

"Peyto's has developed over 1.4 TCFe using vertical and now horizontal wells. But there is a lot more to do. More than 10 years worth of drilling inventory."

	<u>Done</u>		<u>To Do</u>		
	<u>Total Vertical Wells</u>	<u>Total Hz Wells</u>	<u>Total Hz Locations Booked*</u>	<u>Total Hz Locations Unbooked</u>	<u>Total ONR Hz Locations Unbooked**</u>
SMOKY	432	40	206	103	9
DUNVEGAN	5	1	6	10	
FORT ST. JOHN	1		2	12	
PEACE RIVER	90	29	44	25	35
SPIRIT RIVER	7	11	34	148	7
BLUESKY	14	53	83	99	30
BULL-HEAD	4	2	14	6	<u>19</u>
	12	1	21	124	
	<u>87</u>	<u>1</u>	<u>21</u>	<u>124</u>	
TOTAL	652	137	410	527	100

Over 1000 Locations

*As recognized in the IPC (formerly PLA) independent reserve report dated Dec. 31, 2011

**Subject to Mid August 2012 closing. See press release dated July 3, 2012

Peyto's Future



The Peyto Strategy

Maintain a Strong Balance Sheet

"Peyto has always maintained a strong balance sheet. Our Debt to FFO ratio is really half that of others due to a producing RLL that is twice as long."

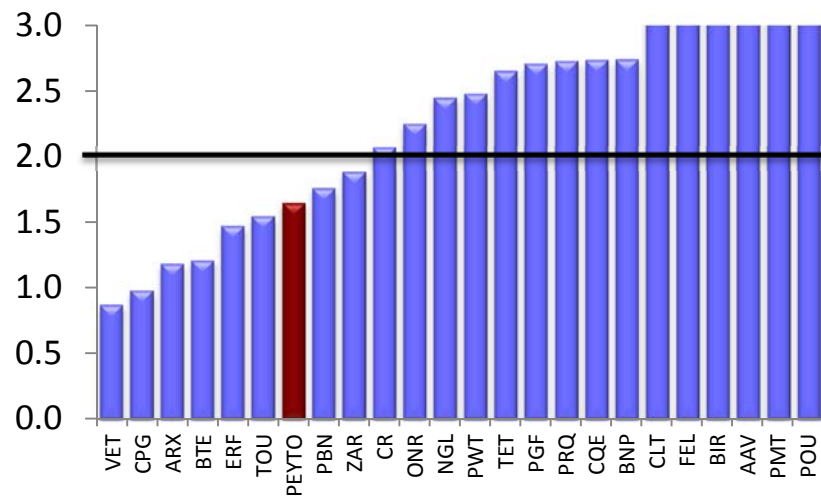
1.7

Peyto Q1/12 D/FFO

3.1

Industry Ave. Q1/12 D/FFO

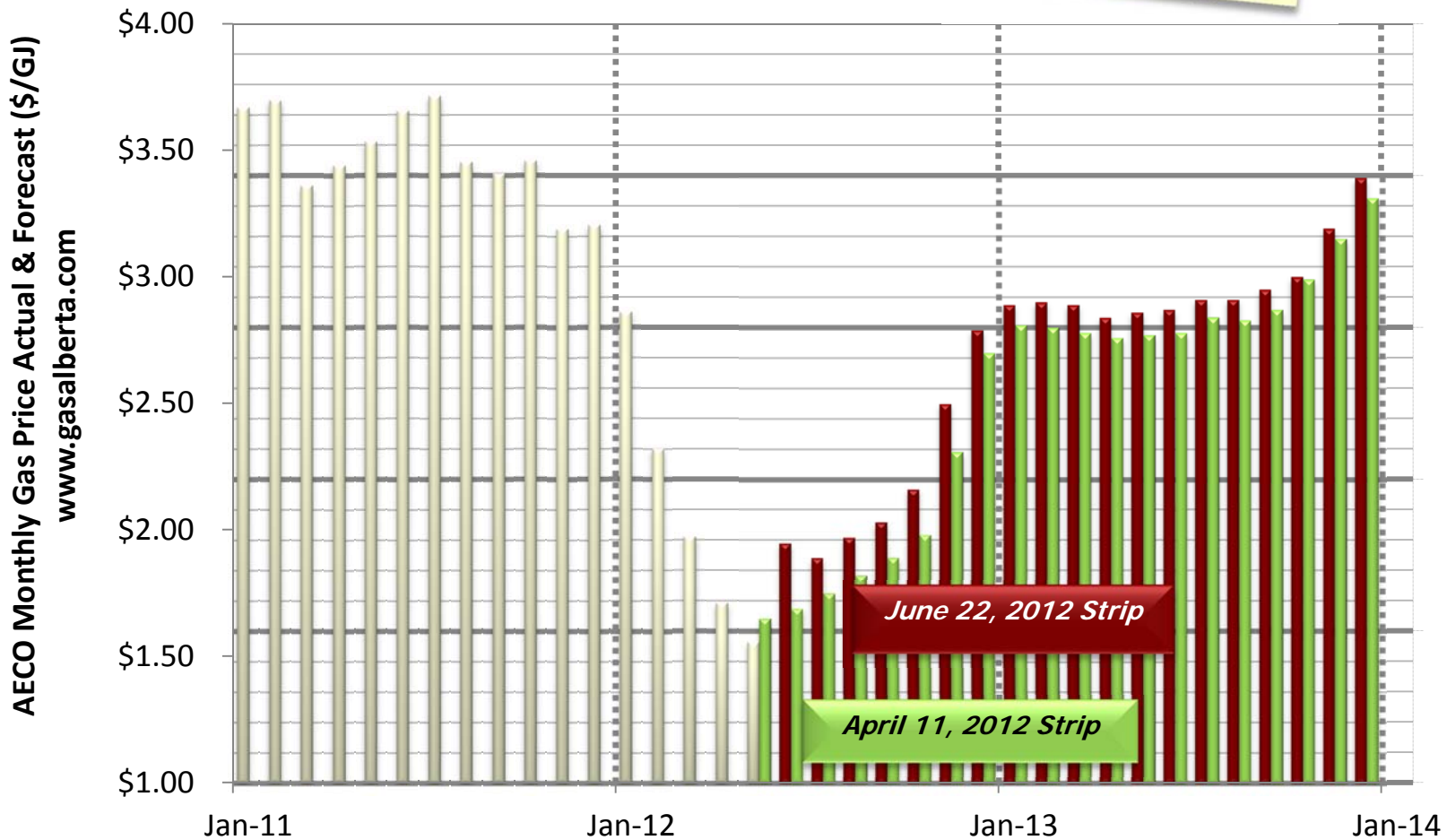
Q1 2012 Net Debt/FFO



The Peyto Strategy

Levering the Low Cost Advantage

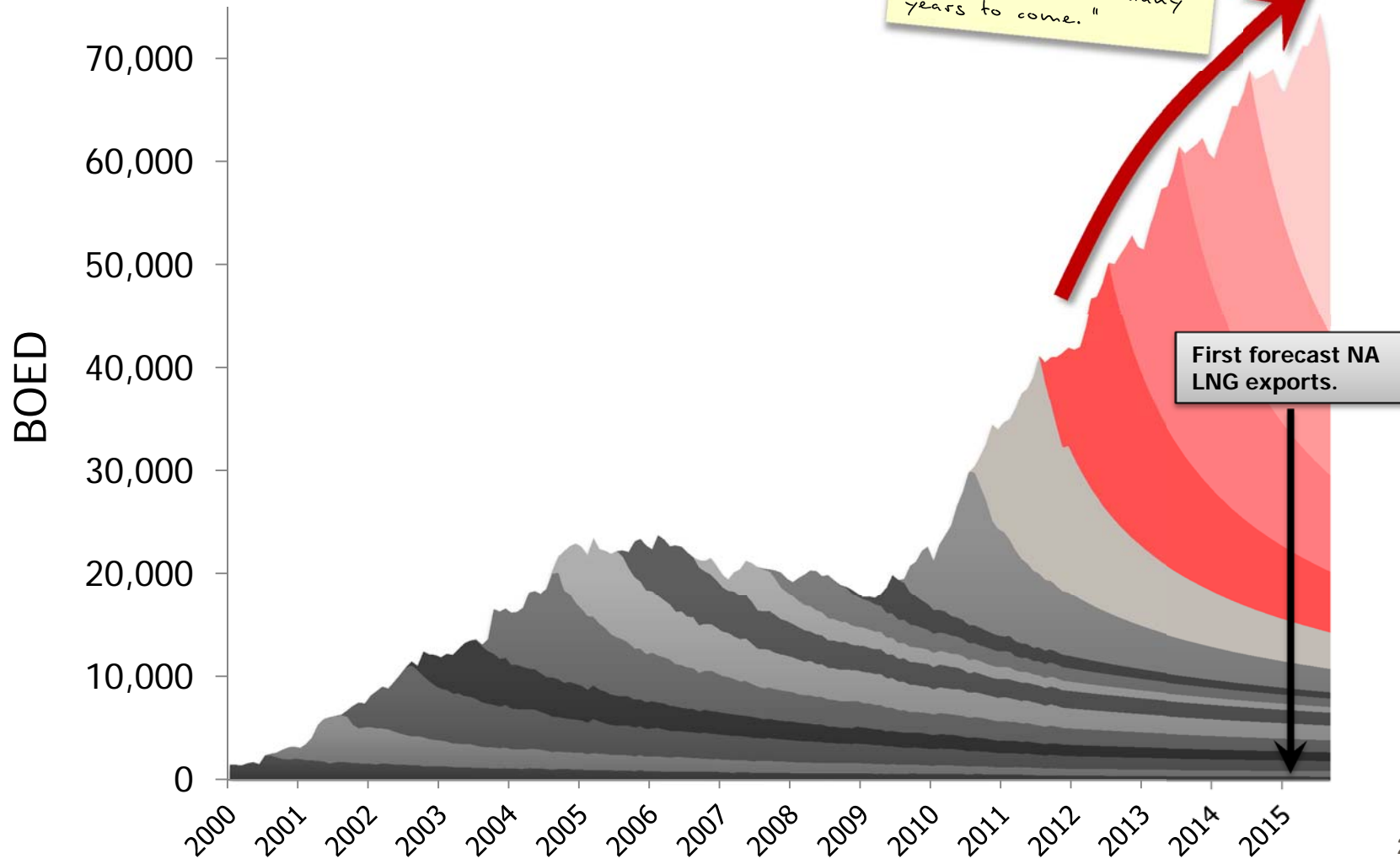
"Peyto takes advantage of it's low costs to build when others can't, in advance of the natural gas price recovery, which appears to have started."



Peyto's Future?

Organic Growth Potential

"While the real future is unknowable, Peyto's inventory of future opportunities and funding capabilities suggest organic growth can continue for many years to come."



Appendix

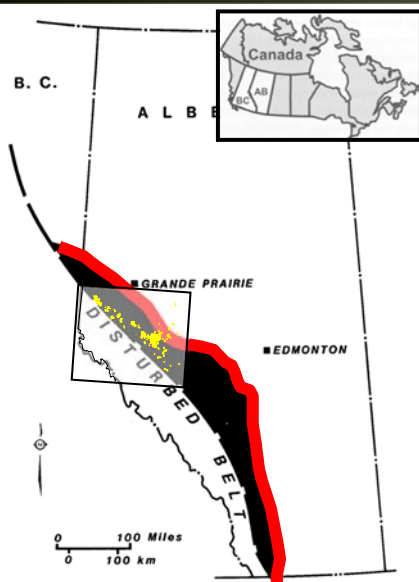
- Corporate Fact Sheet
- Quarterly Track Record
- Tax Pools
- Payout Ratio
- Gas Marketing
- Liquids Marketing
- Hedging Strategy
- Reserves data – volumes, values, RLI

PEY.TO

Corporate Fact Sheet

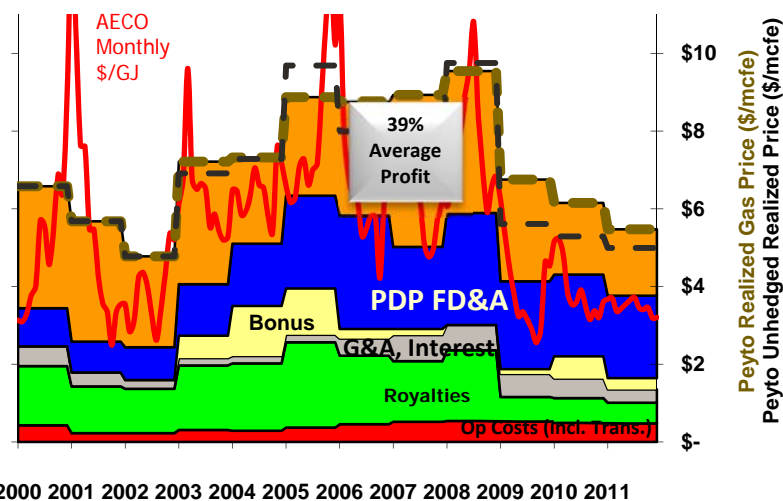
PEYTO

Exploration & Development Corp.



- ✱ Long Reserve Life Asset - 9 yrs PDP, 22 yrs P+P
- ✱ Lowest Cost Producer - \$1.11/mcfe (\$6.67/boe) cash costs Q1/12
- ✱ Superior Returns - Ave ROCE 21%, Ave ROE 40%
- ✱ All Organic - 42,000 boe/d built by Peyto
- ✱ Own and Control - Operate 99% of production, Own infrastructure
- ✱ Exciting Growth Profile - 35% production/share growth in 2011

Monthly Dividend:	\$0.06/share
Shares O/S:	138 million (6% insider ownership)
2012 Capex Guidance:	\$400-450 million
Q1 2012 Net Debt:	\$100 million (senior secured notes, 7 yr, 4.39% coupon)
	<u>\$413 million</u> (revolving bank debt)
	\$513 million
Bank Lines:	\$800 million total capacity (\$700 revolving facility)
Enterprise Value:	\$3.3 billion (\$20/share)



Cash costs are royalties, operating costs, transportation, G&A and interest
BOE factor - 6 mcf = 1 bbl of oil equivalent

Quarterly Track Record

	2012	2011					2010					2009
	Q1	Total	Q4	Q3	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total
Operations												
<u>Production</u>												
Oil & NGLs (bbl/d)	4,101	3,856	3,947	3,918	3,811	3,746	3,389	3,439	3,322	3,465	3,330	3,028
Natural gas (mcf/d)	220,811	189,653	212,715	194,832	183,790	166,710	122,031	148,551	122,717	112,422	103,934	92,718
Barrels of oil equivalent (boe/d)	40,903	35,465	39,400	36,390	34,443	31,531	23,728	28,197	23,775	22,202	20,653	18,481
Year over Year % Growth	30%	49%	40%	53%	55%	53%	28%	47%	34%	23%	9%	-8%
<u>Average Product Prices</u>												
Oil & NGLs (\$/bbl)	84.83	81.67	88.04	78.07	84.06	76.19	65.31	67.06	59.66	65.58	68.93	50.18
Natural gas (\$/mcf)	3.53	4.47	4.21	4.43	4.43	4.92	5.36	4.93	5.16	5.25	6.34	6.44
Operating expenses (\$/mcfe)	0.45	0.48	0.47	0.49	0.45	0.52	0.48	0.45	0.48	0.51	0.54	0.52
Field Netback (\$/mcfe)	3.75	4.46	4.32	4.41	4.41	4.75	5.02	4.75	4.83	4.82	5.81	5.60
Financial (\$000)												
Revenue (net of royalties)	93,661	383,496	104,393	98,261	91,186	89,655	286,020	80,921	69,650	64,649	70,801	247,846
Funds from Operations ¹	77,645	314,622	80,410	82,506	77,010	74,696	236,956	69,201	56,743	52,415	58,559	202,699
Net earnings (loss)	26,868	128,183	26,036	37,741	32,718	31,688	200,414	95,419	32,567	24,696	36,874	152,774
Capital expenditures	98,632	379,061	94,688	111,570	69,017	103,786	264,364	113,403	64,123	37,439	49,361	72,739
Net Debt ²	512,627	465,391	465,391	526,743	474,008	453,376	404,944	404,944	457,959	417,854	467,368	439,860
Common shares outstanding (000)	138,312	137,960	137,960	133,061	133,061	133,061	132,811	132,811	122,136	121,476	115,417	115,116
Weighted average shares	138,312	133,196	133,913	133,061	133,061	132,737	120,549	125,726	121,766	119,420	115,154	110,556
Per share data												
Funds from operations	0.56	2.36	0.60	0.62	0.58	0.56	1.96	0.55	0.47	0.44	0.51	1.83
Earnings (loss)	0.19	0.96	0.19	0.28	0.25	0.24	1.66	0.76	0.27	0.21	0.32	1.38

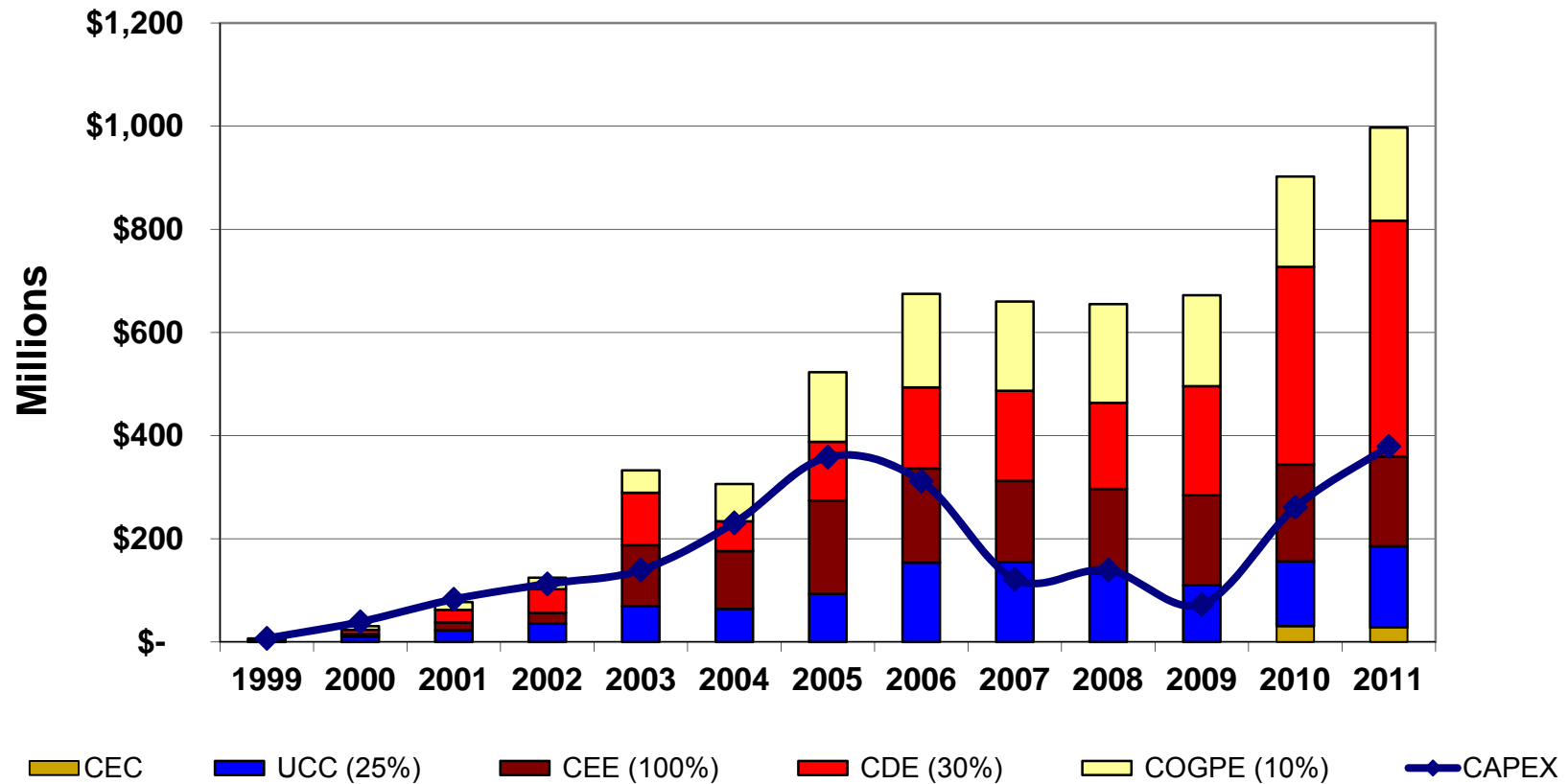
Management uses funds from operations to analyze operating performance. In order to facilitate comparative analysis funds from operations is defined throughout this report as earnings before performance based compensation, non-cash and non-recurring expenses. As presented, funds from operations does not have any standardized meaning prescribed by Canadian GAAP.

Net debt does not include provision for future performance based compensation, site restoration, abandonment and income taxes.

Organic Business Model

Peyto's Tax Pools

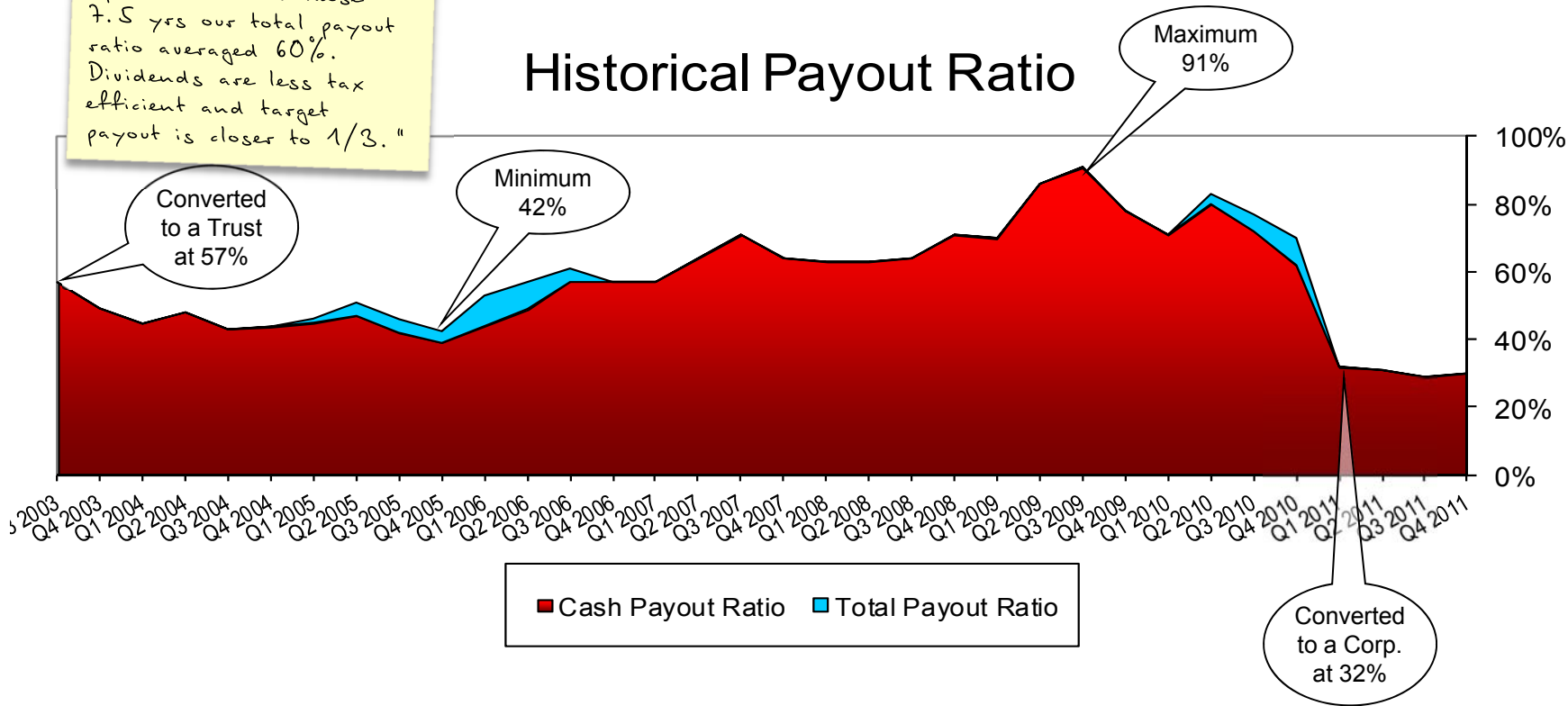
"At Peyto, our tax efficiency accumulates the old fashioned way, we build it."



Payout Ratio History

"Our plan as a Trust was to payout roughly 50% of the funds from operations. Over those 7.5 yrs our total payout ratio averaged 60%. Dividends are less tax efficient and target payout is closer to 1/3."

Historical Payout Ratio



Historical Per Unit and Units Outstanding numbers have been adjusted to reflect the May 27, 2005 2:1 stock split
Total Payout Ratio is prior to Distribution Re-investments

Gas Marketing

Future Sales

"Low risk reserves and production can be forward sold with confidence since you know they will still be there when the time comes."

Financial Hedges - Gas

				2011					2012					2013					2014																			
Term		GJ/d	Pricing (\$/GJ)	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O				
From	To																																					
1-Apr-10	31-Mar-12	5000	\$5.670	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Mar-12	5000	\$6.200	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-10	31-Mar-12	5000	\$5.820	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-10	31-Mar-12	5000	\$4.500	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Mar-12	5000	\$5.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Mar-12	5000	\$5.120	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Nov-10	31-Mar-12	5000	\$4.100	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Oct-12	5000	\$4.050	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Oct-12	5000	\$4.150	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Oct-11	5000	\$3.500	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Oct-12	5000	\$4.100	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Oct-11	5000	\$3.800	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Oct-12	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Mar-13	5000	\$3.800	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Nov-11	31-Mar-13	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-11	31-Mar-13	5000	\$4.055	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-May-11	31-Mar-12	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jun-11	31-Mar-13	5000	\$4.170	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jun-11	31-Mar-13	5000	\$4.100	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jun-11	31-Mar-13	5000	\$4.100	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jul-11	31-Oct-11	5000	\$4.030	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Oct-13	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Oct-13	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Oct-13	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Oct-13	5000	\$4.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Dec-12	5000	\$3.313	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Dec-12	5000	\$3.395	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jul-12	31-Oct-12	5000	\$2.320	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jul-12	31-Oct-12	5000	\$2.350	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Mar-14	5000	\$3.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Jun-12	31-Oct-12	5000	\$1.830	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Mar-13	5000	\$2.200	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Mar-13	5000	\$2.310	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-12	31-Mar-13	5000	\$2.520	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-May-12	31-Oct-13	5000	\$2.300	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Nov-12	31-Oct-13	5000	\$2.600	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Nov-12	31-Mar-14	5000	\$2.810	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Nov-12	31-Mar-14	5000	\$3.000	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Apr-13	31-Mar-14	5000	\$3.105	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Nov-12	31-Oct-14	5000	\$3.058	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
1-Aug-12	31-Oct-14	5000	\$3.100	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.

Avg (Gas only)											
Avg GJ/d	87,857	90,000	115,714	104,000	65,000	30,000	10,000				
Avg \$ per GJ	\$4.44	\$4.50	\$3.49	\$3.36	\$3.19	\$3.01	\$3.08				
Avg mcf/d	75,100	76,900	98,900	88,900	55,600	25,600	8,500				
Avg \$ per mcf	\$5.20	\$5.26	\$4.08	\$3.93	\$3.73	\$3.52	\$3.60				

•Assuming an Average Heating Value of 1.17 GJ/mcf for Peyto's gas

For 2012 we have ~42% of current production sold at \$4.27/mcf

Liquids Marketing

Future Sales

"We've now started hedging NGLs like we do gas, in small layers to smooth out the price."

Financial Hedges - Propane

Term				2012						2013						2014							
				A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
From	To	bbl/d	Pricing (\$/bbl)																				
1-Sep-12	31-Mar-13	66	\$49.56																				
1-Sep-12	31-Mar-13	66	\$44.10																				
Avg (propane)																							
Avg bbl/d				38						132						0							
Avg \$ per bbl				\$46.83						\$46.83						N.A.							

Financial Hedges - Iso-Butane

Term				2012						2013						2014							
				A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
From	To	bbl/d	Pricing (\$/bbl)																				
1-Sep-12	31-Mar-13	33	\$82.32																				
Avg (Iso-Butane)																							
Avg bbl/d				9						33						9							
Avg \$ per bbl				\$82.32						\$82.32						\$82.32							

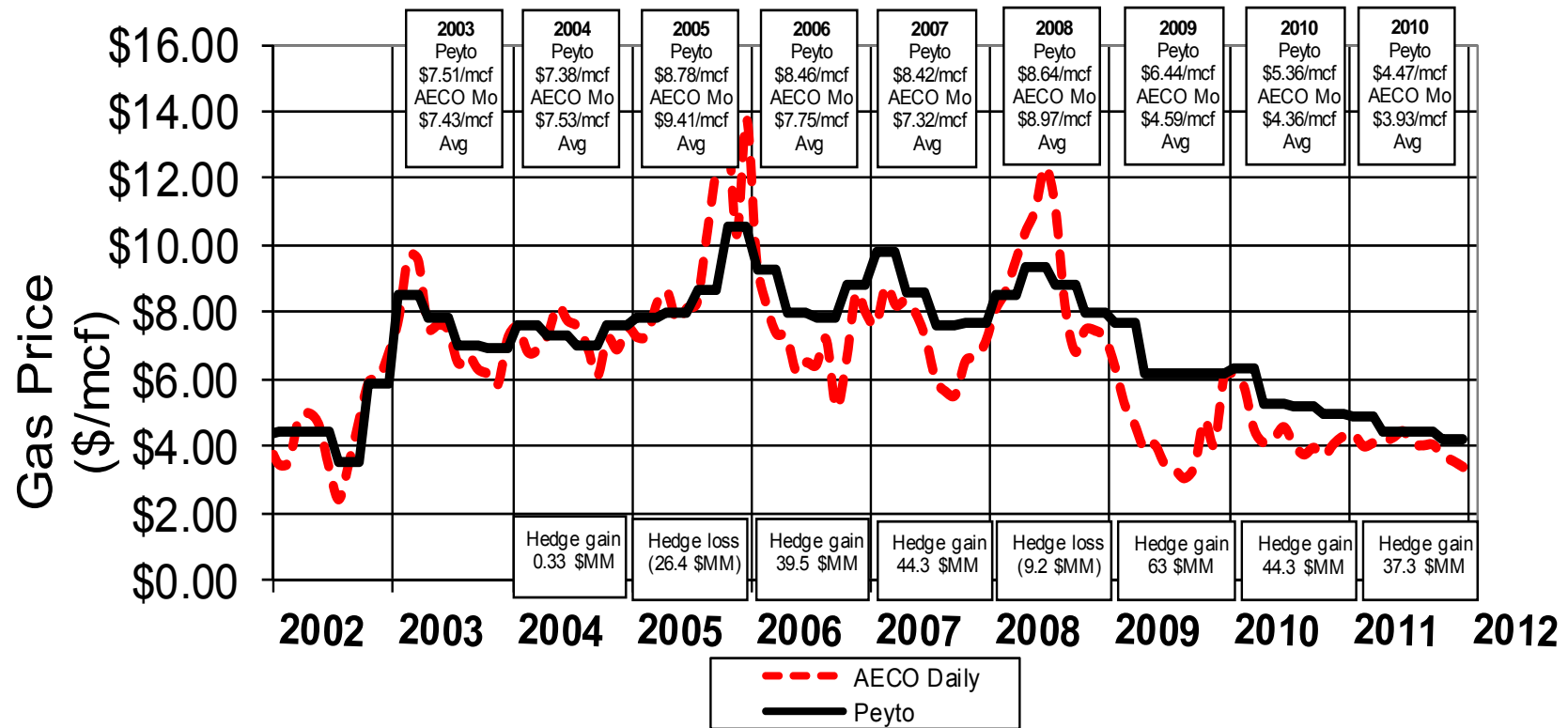
Financial Hedges - Butane

Term				2012						2013						2014							
				A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M
From	To	bbl/d	Pricing (\$/bbl)																				
1-Sep-12	31-Mar-13	66	\$80.64																				
Avg (Butane)																							
Avg bbl/d				19						66						19							
Avg \$ per bbl				\$80.64						\$80.64						\$80.64							

Successful Hedging Strategy

Peyto Realized Price History

"The "dollar cost averaging" approach to our forward sales smooths out the volatility and avoids speculation. Forward price averaging can occur on up to 50% of gross production over a 24 month period."



Peyto's 2011 Reserves

Volumes

Category	Sales Gas (BCF)	Natural Gas Liquids & Oil (Mstb)	BOE's(Mstb)
Proven Producing	668	16,125	127,457
Proven Non-Producing	14	356	2,745
Proven Undeveloped	422	24,834	95,102
Total Proven	1,104	41,314	225,304
Probable Additional	496	14,525	79,977
Proved + Probable	1,600	55,839	322,427

InSite Petroleum Consultants February 2012 Reserve Report (effective: December 31, 2011)

Peyto's 2011 Reserves

Before Tax Net Present Value

"The effect of discounting on Peyto's NPV is significant because of the long life of our assets. Every year our asset base becomes more valuable because of the accretion of this discount."

Variable Price Economics

Category	NPV (millions of CDN dollars)			
	0%	5%	8%	10%
Proven Producing	\$ 4,809	\$ 2,624	\$ 2,049	\$ 1,792
Proven Non-Producing	\$ 97	\$ 43	\$ 29	\$ 23
Proven Undeveloped	\$ 2,796	\$ 1,306	\$ 878	\$ 681
Total Proven	\$ 7,702	\$ 3,972	\$ 2,956	\$ 2,496
Probable Additional	\$ 3,554	\$ 1,511	\$ 1,010	\$ 795
Proven + Probable	\$ 11,256	\$ 5,484	\$ 3,966	\$ 3,291

InSite Petroleum Consultants February 2012 Reserve Report (effective: December 31, 2011)