



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 dividends to be paid to shareholders, dividend policy, and the timing of payment of such dividends.

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

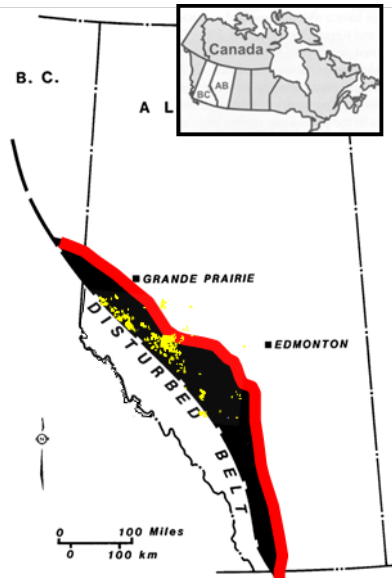
Original gas in place includes both discovered and undiscovered resources, and there is no certainty that any portion of the undiscovered resources will be discovered and, if discovered, that any volumes will be economically viable or technically feasible to recover or produce. Original gas in place 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 unless otherwise noted.

PEY.TO

Who We Are



- ☀ Pure Play Alberta Deep Basin - *~465 mmcf/d Gas, 12,500 bbl/d NGLs*
- ☀ Returns Focused Strategy - *Avg ROCE 15%, ROE 26% over last 22 yrs, among highest in the industry*
- ☀ Long Reserve Life Asset - *YE 2020: 9 yrs PDP, 27 yrs 2P, sweet gas, no mobile water risk*
- ☀ Lowest Cost Producer - *\$1.01/mcfe (\$6.09/boe) 2020 total cash costs**
- ☀ Own and Control – *Operate 99% of production, Own/operate 10 gas plants with 875 mmcf/d processing capacity*

Quarterly Dividend:	\$0.01/share (CTD YE20 \$19.34/share)
Shares O/S:	164.9 million (3% insider ownership)
Q4/20 Net Debt:	\$415 million (senior secured notes, 3.7-4.9% CND) <u>\$761 million</u> (\$0.95B secured bank facility) \$1.176B (\$1.365B total capacity)
Enterprise Value:	\$2.2 billion (\$6.00/share)
Full Time Employees:	53

*Cash costs are royalties, operating costs, transportation, G&A and interest
Reserve Life based on Q4 2020 production rate of 83,461 boe/d
BOE factor - 6 mcf = 1 bbl of oil equivalent

PEY.TO

20 Year Growth Per Share

"Over time, the Peyto model is designed to deliver a superior total return with growth in value, income and assets."

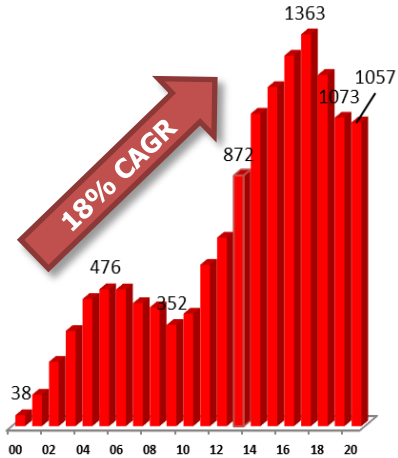
PEYTO



Exploration & Development Corp.

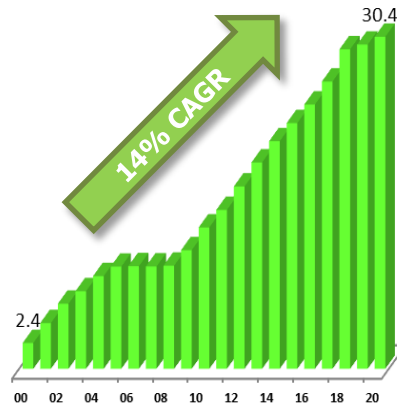
Production/share

(MMcfe/d/mm sh)



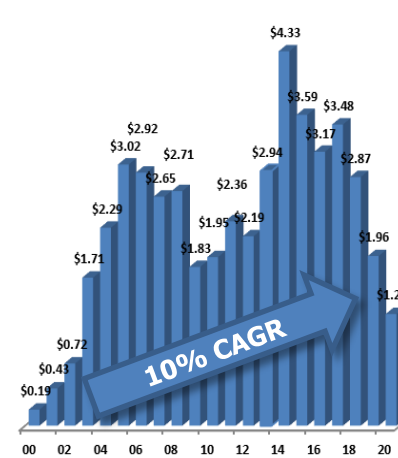
Reserves/share

(2P Bcfe/mm sh)



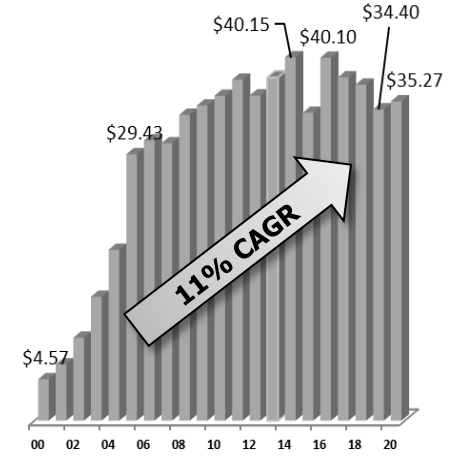
FFO/share

(\$/sh)



2P NPV₅/debt adj. share

(\$/sh)



Historical Per Share (or unit) and Shares (units) Outstanding numbers have been adjusted to reflect the May 27, 2005 2:1 stock split

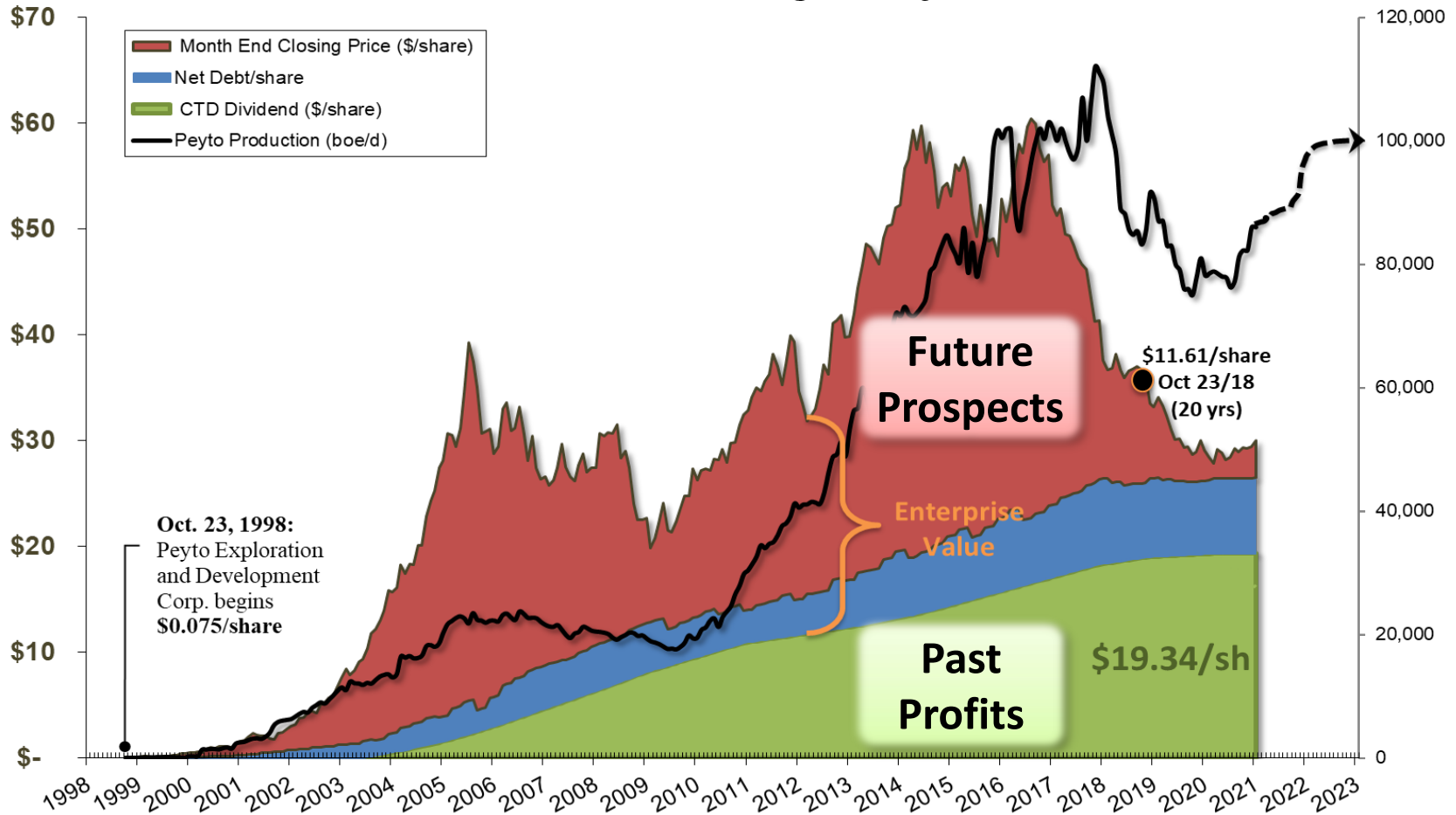
BOE factor - 6 mcf = 1 bbl of oil equivalent

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Total Shareholder Return Model

"Our track record of success is defined by our past profits. Our plan is to continue this trend, despite how the market currently values our future prospects."

Peyto Exploration and Development Corp. 22 Year Trading History

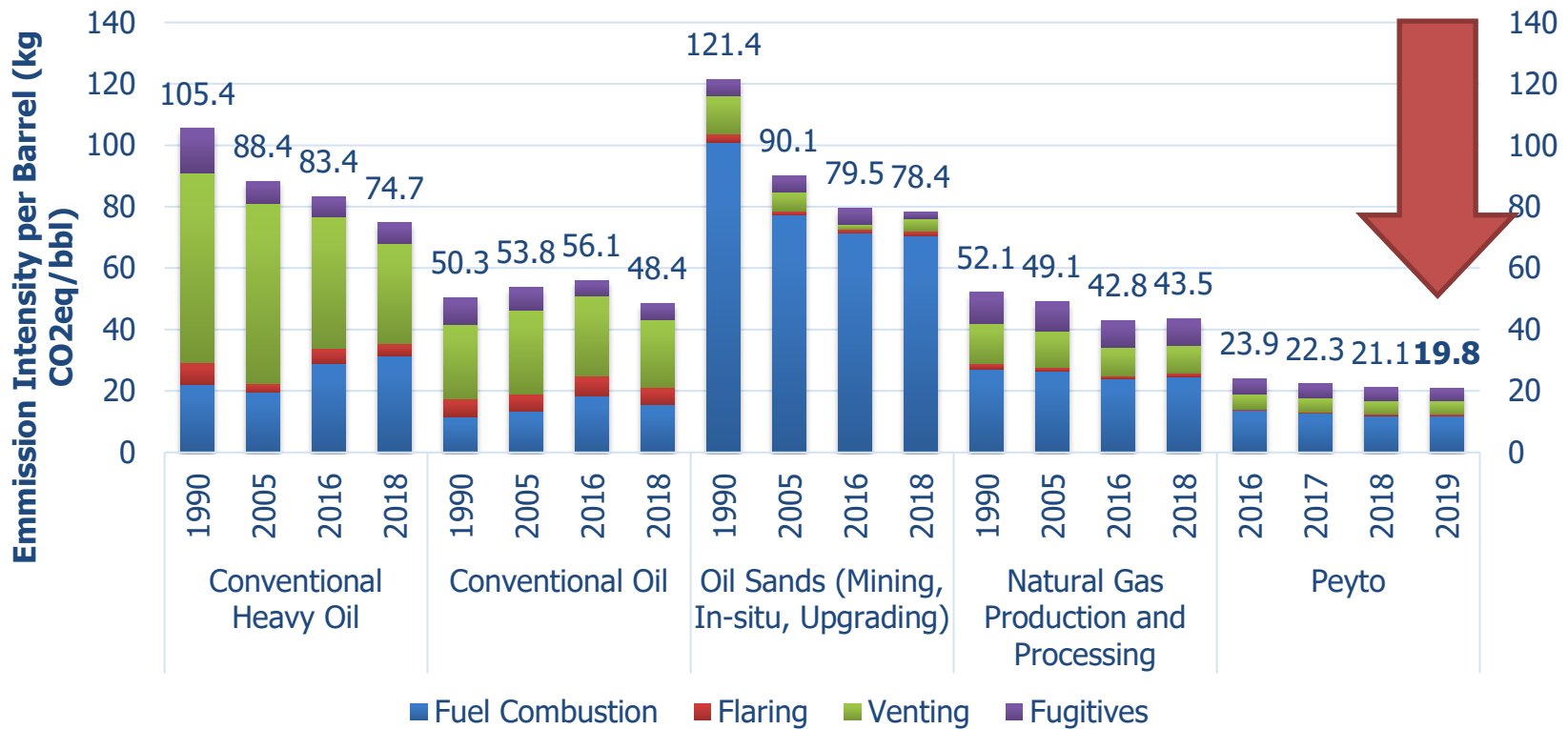


Environmental Leadership

Industry Improving – Peyto Leading the Way

"Peyto provides energy for the world for far less environmental impact than even the rest of the Canadian Energy Industry."

Emission Intensity by Source Type for Canadian Oil and Gas (1990, 2005, 2016)



Notes:

Intensities are based on total subsector emissions and relevant production amounts. They represent overall averages, not facility intensities.

*Calculated on a barrel of oil equivalent (boe) basis by converting production volumes to energy basis and then dividing by energy content of light crude oil.

1 barrel (bbl) = 0.159 m3

Production data from Statistics Canada 1991-2017 and AER (2017)

*Original chart can be found at: <https://www.canada.ca/content/dam/eccc/documents/pdf/climate-change/emissions-inventories-reporting/nir-executive-summary/National%20Inventory%20Report%20Executive%20Summary%202018.pdf>

Environmental Leadership

Continuously Improving Environmental Performance

"We are continuously improving our environmental performance, lowering emissions every year!"

Corp.

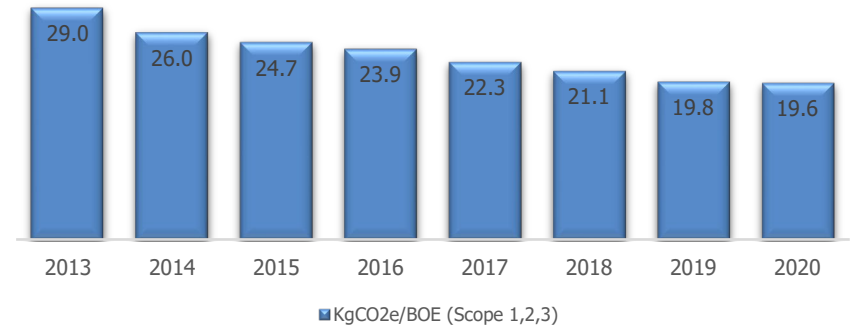
-32%

in GHG Emissions Intensity*

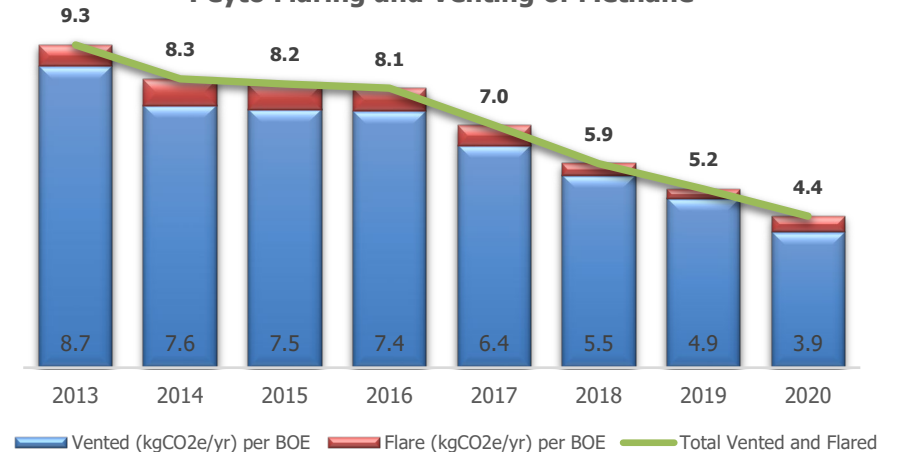
-53%

In Flared/Vented Methane*

Peyto GHG Emissions Intensity



Peyto Flaring and Venting of Methane



*Peyto strives to maintain an accurate GHG emissions inventory from its operations. As such, we go above and beyond currently mandated quantification requirements of vented methane emissions. This proactive approach will facilitate us in mitigating variations in our GHG inventory when the AER implements updated D60 and D17 regulations. For comparative purposes, Peyto's total emissions and emissions intensity will be greater than other industry participants who are currently only reporting mandated quantification requirements. Historical emissions may change in future publications as new data becomes available and our greenhouse gas inventory is refined.

The Peyto Strategy



Peyto's Strategy

What We Continue To Believe

"We believe in the future of natural gas and in partnering with shareholders to make a profit, not by trying to make your money, our money."

PEYTO



Exploration & Development Corp.

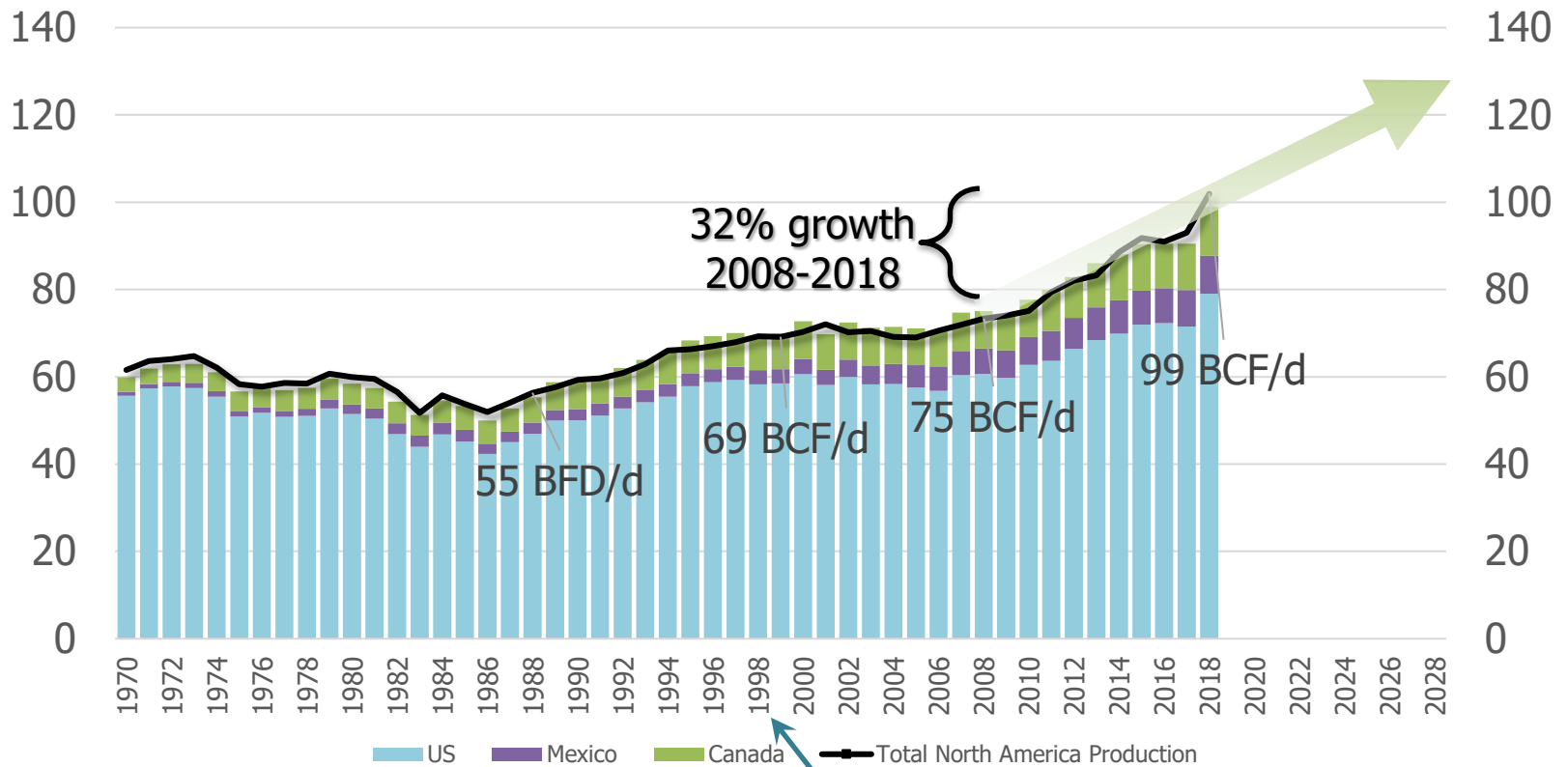
- ✱ *“Nature’s gas is the fuel for the future.”*
- ✱ *“Our gas and NGLs have some of the lowest emissions of any hydrocarbons produced in Canada.”*
- ✱ *“Our business focus is to maximize the return on invested capital – your capital.”*
- ✱ *“By maintaining low cash costs over the entire production life it ensures returns are maximized regardless of commodity price volatility.”*

Peyto's Strategy

Growing North American Gas Market

"It is likely, over the next decade, North American natural gas consumption will be up another 30 BCF/d. That's another Marcellus or two Canadas!"

North America Gas Consumption (BCF/d)
(BP Statistical Review of World Energy 2019)



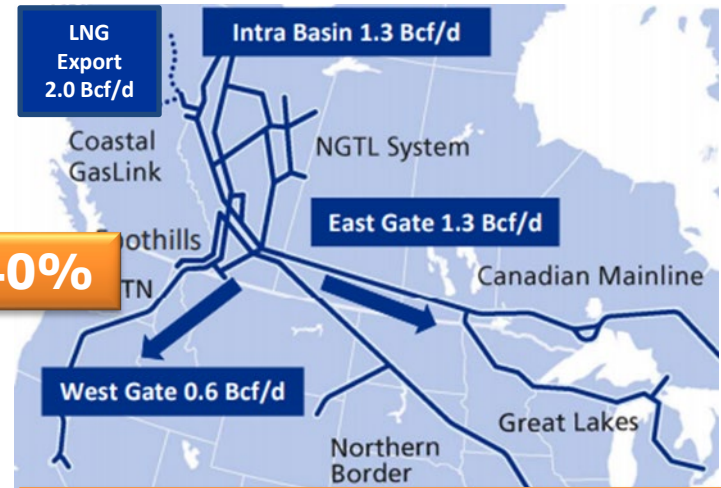
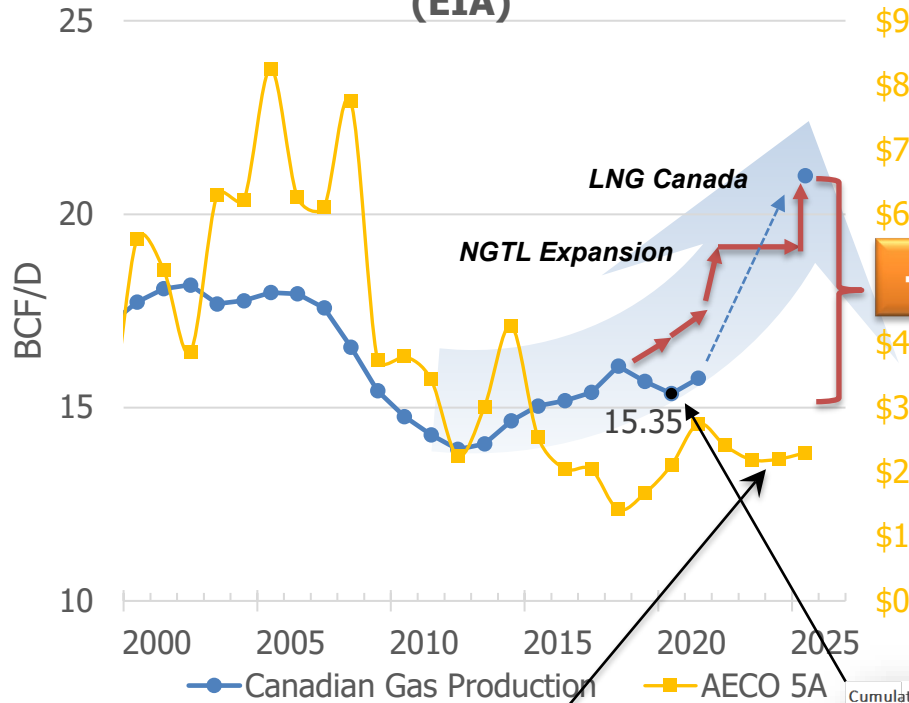
Peyto started

Peyto's Strategy

Canadian Gas Egress Is Expanding

"Canada has already begun to play its part in supplying that growing consumption with infrastructure expansion but no volumes yet."

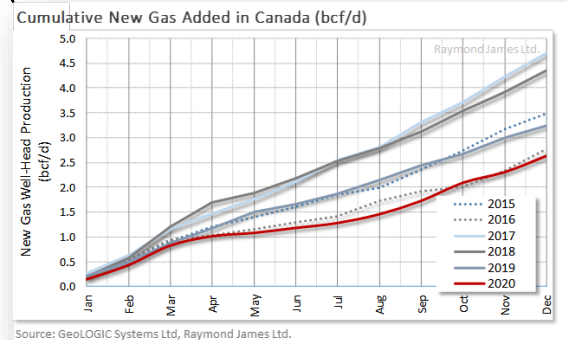
Dry Natural Gas Production - Canada (EIA)



+40%

3.2 Bcf/d NGTL Expansion – 2019 to 2022
1.9 Bcf/d LNG Canada (trains 1&2) – 2024
5.1 Bcf/d Additional Market Access

Are forecast gas prices of \$2.50/GJ enough to encourage the 4-6 BCF/d of growth we'll need to fill this egress?



The Peyto Strategy

Fund Growth From Cashflow

"Over the last 22 yrs, Peyto has invested \$6.4 billion in capital to fund organic resource development that has produced \$6.5 billion in funds from operations."



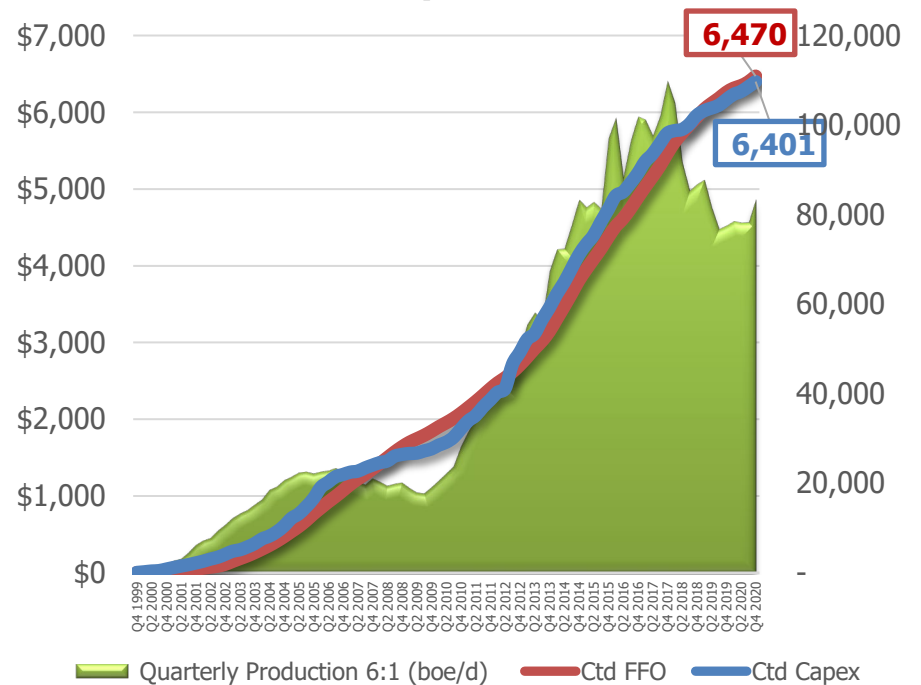
\$6.5B

Peyto FFO
CTD Q4/20

\$6.4B

Peyto Capital
CTD Q4/20

Peyto FCF



The Peyto Strategy

Invest For Profit Not Growth

"Peyto's track record of generating \$0.40 of earnings for every dollar of capital invested is one of the highest in the industry."

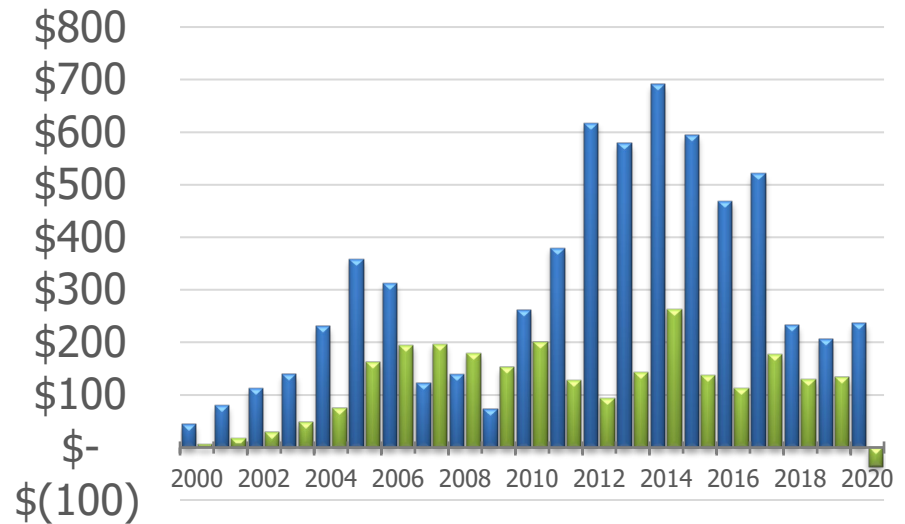
Corp.

\$6.4B

Peyto Capital
CTD Q4/20

\$2.6B

Peyto Earnings
CTD Q4/20



■ CAPEX (\$MM)

■ Earnings (\$'000)

The Peyto Strategy

Dividend Sustainability

"The best way to ensure sustainable dividends is to generate earnings. By definition, dividends come from profits and that's where Peyto's come from."

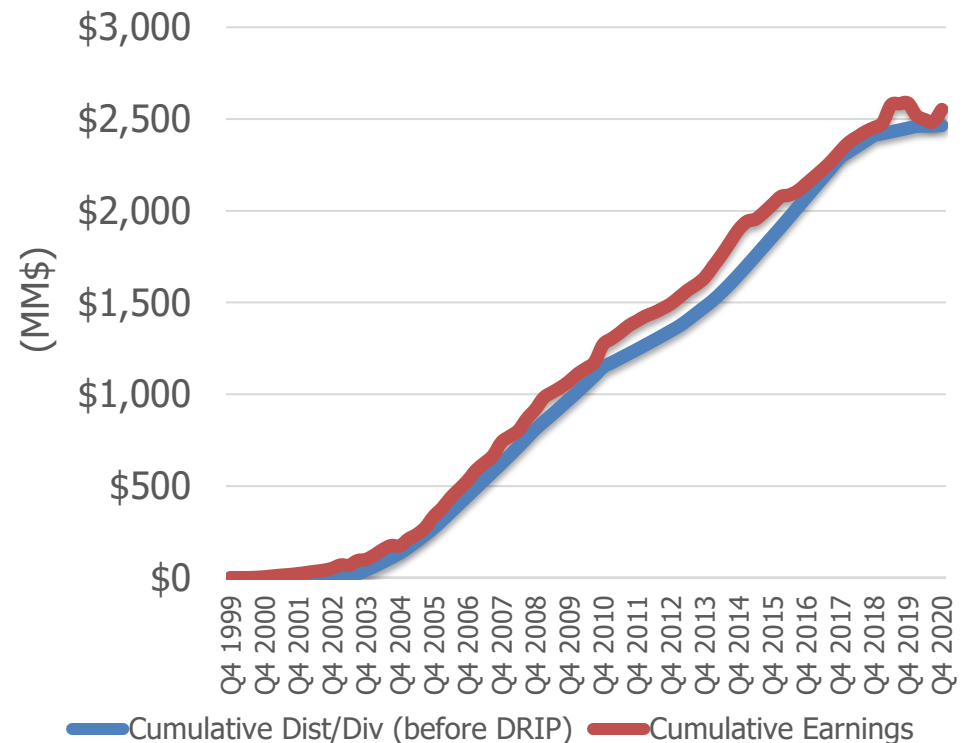
t Corp.

\$2.6B

Peyto Ctd. Earnings
Q4/20

\$2.5B

Peyto Ctd. Dist/Div.
Q4/20



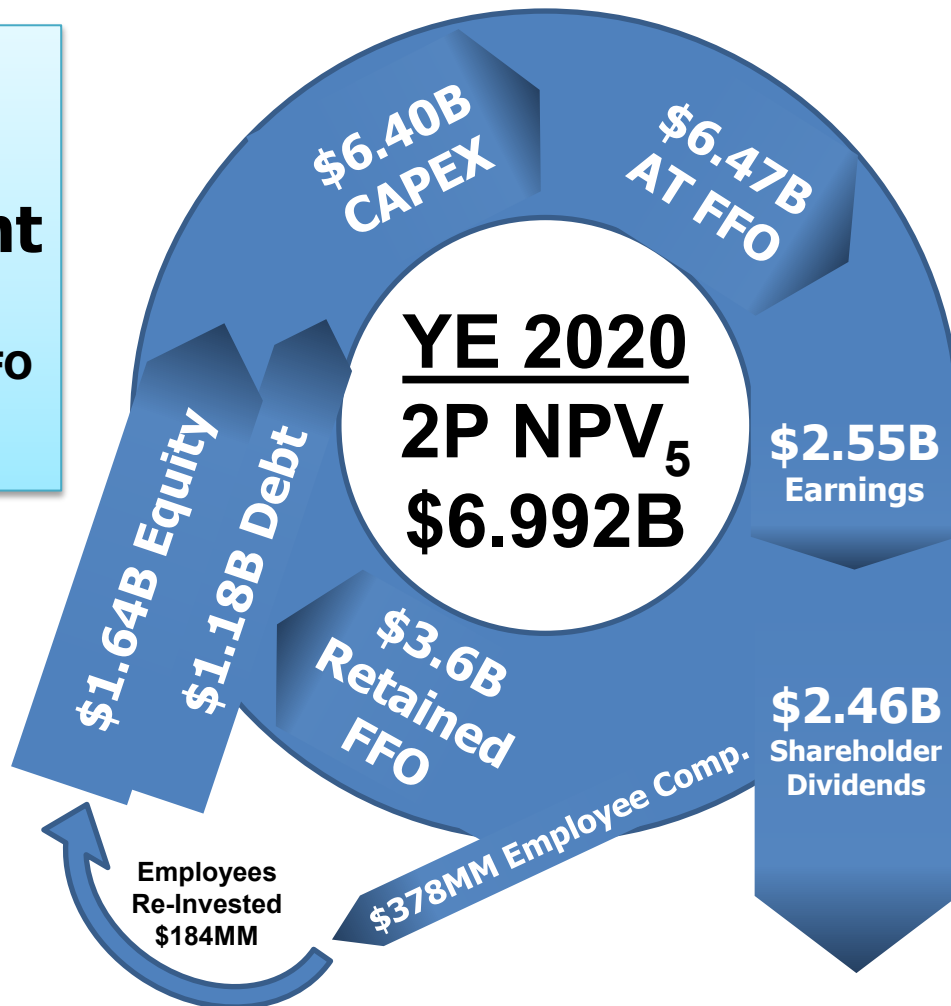
The Peyto Strategy

22 Year Cycle of Value Creation

"The Peyto strategy is to take capital sources and turn them into assets and profits for shareholders."

**\$6.40B
Capital
Investment**

55% retained FFO
26% equity
18% debt



\$8.65B Value

\$2.46B in div/dist
\$0.38B to employees
\$6.99B remaining
asset value
(\$1.18B) debt

Peyto's Profitable Business

PEYTO

Exploration & Development Corp.



Peyto's Profitable Business

"Build it for less than we sell it"

"2020 was Peyto's toughest year with some of the lowest realized gas prices, however we rose to the challenge with industry leading supply costs."

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020F</u>
PDP FD&A \$/mcfe	(\$2.25)	(\$1.64)	(\$1.44)	(\$1.36)	(\$1.18)	(\$1.55)	(\$1.06)
Cash Costs \$/mcfe	(\$1.08)	(\$0.81)	(\$0.76)	(\$0.83)	(\$0.92)	(\$0.95)	(\$1.01)
Supply Cost	(\$3.26)	(\$2.45)	(\$2.20)	(\$2.19)	(\$2.10)	(\$2.50)	(\$2.07)
Sales Price \$/mcfe	<u>\$5.04</u>	<u>\$3.83</u>	<u>\$3.18</u>	<u>\$3.38</u>	<u>\$3.27</u>	<u>\$2.78</u>	<u>\$2.23</u>
Full Cycle Netback \$/mcfe	\$1.71	\$1.38	\$0.98	\$1.19	\$1.17	\$0.28	\$0.16
Margin	34%	36%	31%	35%	36%	10%	7%
Dividend \$/mcfe	\$1.05	\$1.11	\$1.01	\$0.97	\$0.59	\$0.22	\$0.08

2020 Land/Acq/Disp Seismic Drilling Compl. Wellsite Facilities
\$235.7MM
 ΔPDP (37 mmboes)
 2020 FD&A = \$1.06/mcfe

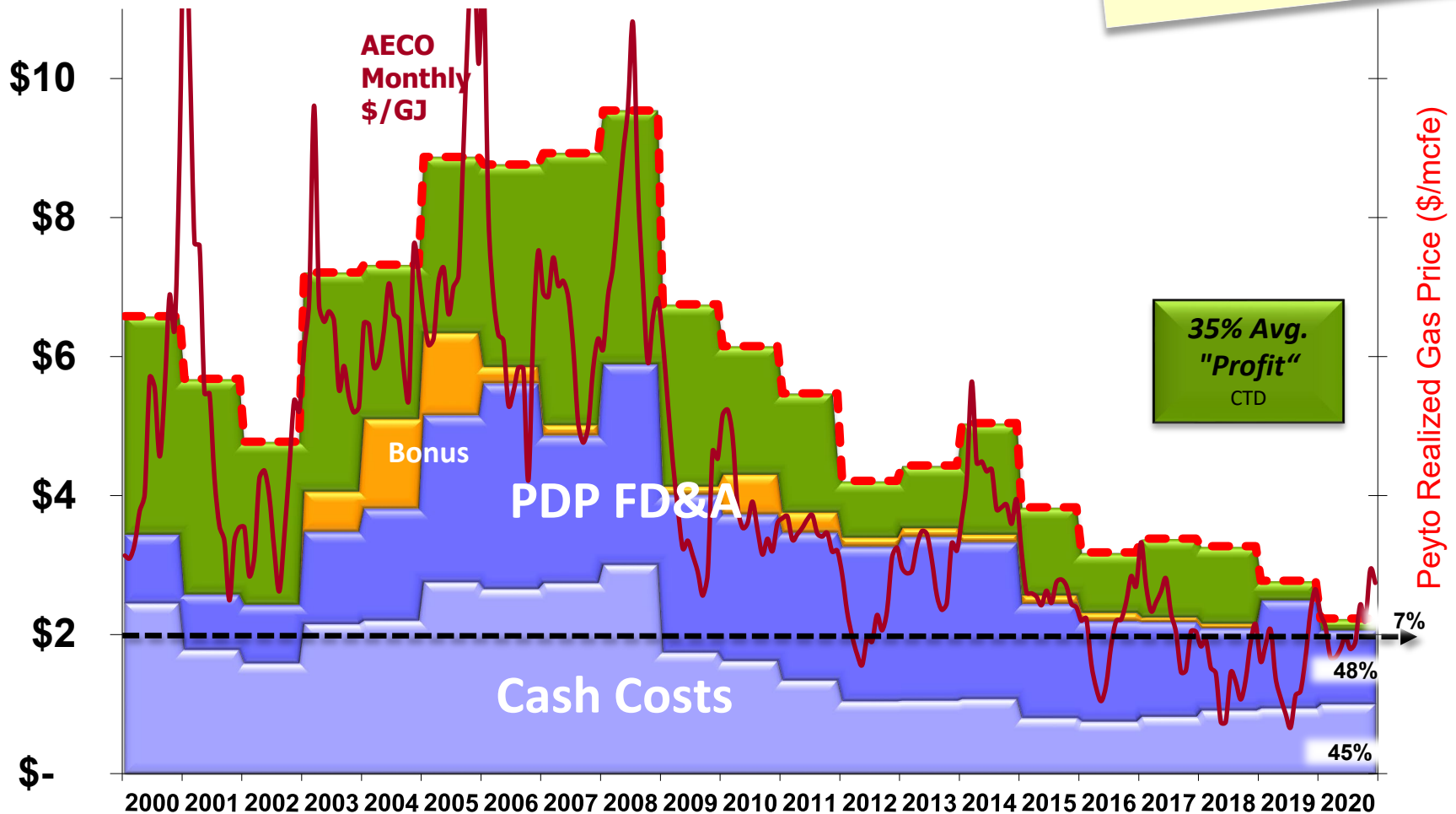
Royalties (\$0.13)
 Opex (\$0.34)
 Transport (\$0.17)
 G&A (\$0.04)
 Interest (\$0.33)
 Total Costs (\$1.01)

86% Gas @\$1.51/GJ*1.15 HC
 14% NGLs@\$31/bbl=(60%of \$52oil)
\$2.23/mcfe
\$0.00/mcfe hedge gain/loss
\$2.23/mcfe

Peyto's Profitable Business

The Price Bar Is Now Very Low, We Must Go Lower

"We need to continue to reduce costs, particularly FD&A costs so that total costs are less than \$2. That way we can preserve our historical 35% average profit margin."



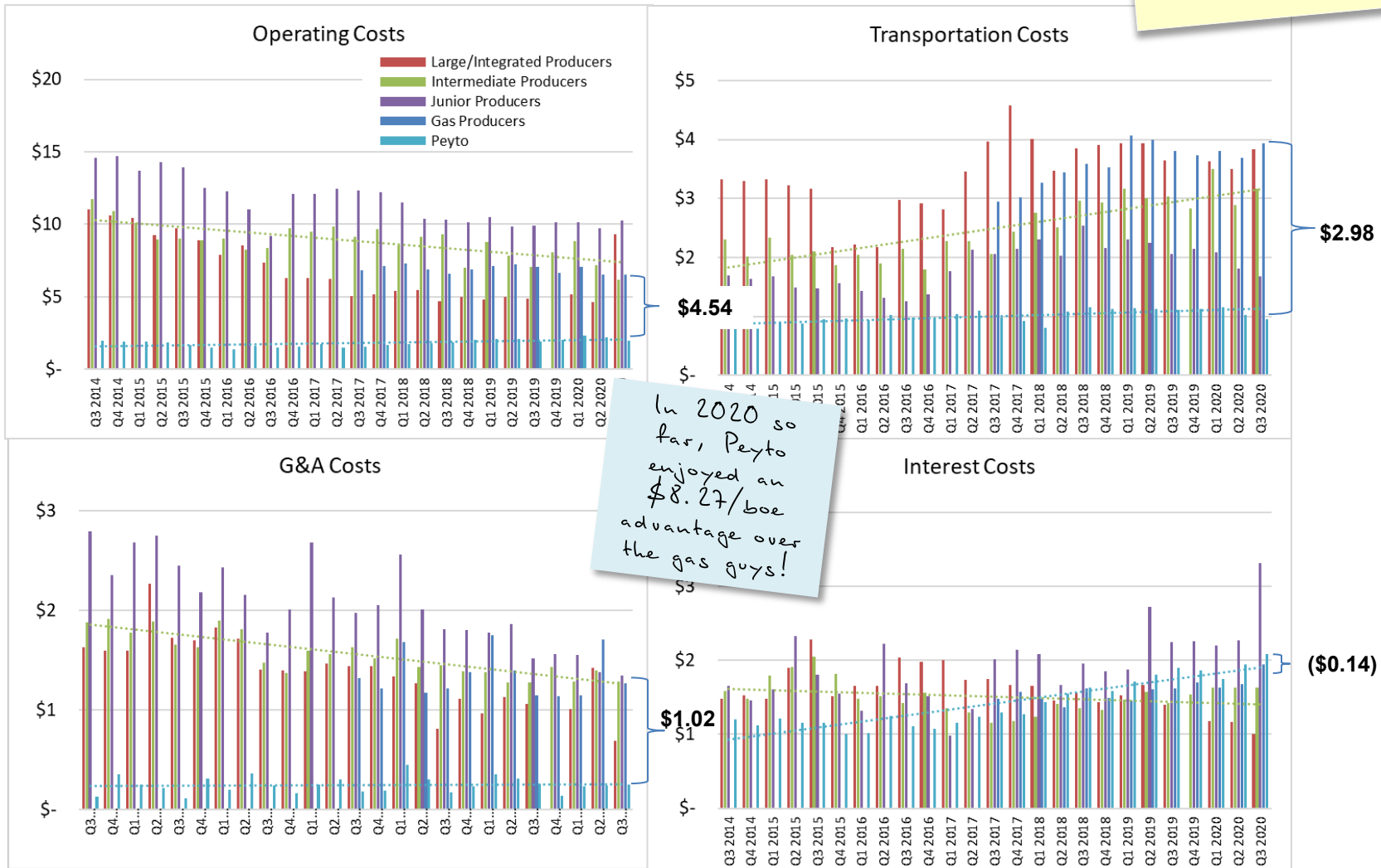
Total Cash Costs per mcf includes – Royalties, Op Costs, Transport, G&A, and Interest
 PDP FD&A – Proved Developed Producing Finding Development & Acquisition Costs

Peyto's Profitable Business

Peyto's "Moat" is a Low-Cost Advantage

"We have a huge head start over the rest of the industry, including other Canadian gas producers, from a cash cost perspective."

PEX



BOE factor - 6 mcf = 1 bbl of oil equivalent
 Data from Peter's & Co.
 Gas producers include: AAV, ARX, BIR, CR, KEL, NVA, PIPE, PMT, PNE, POU, SDE, SRX, TOU, VII

Peyto's Profitable Business

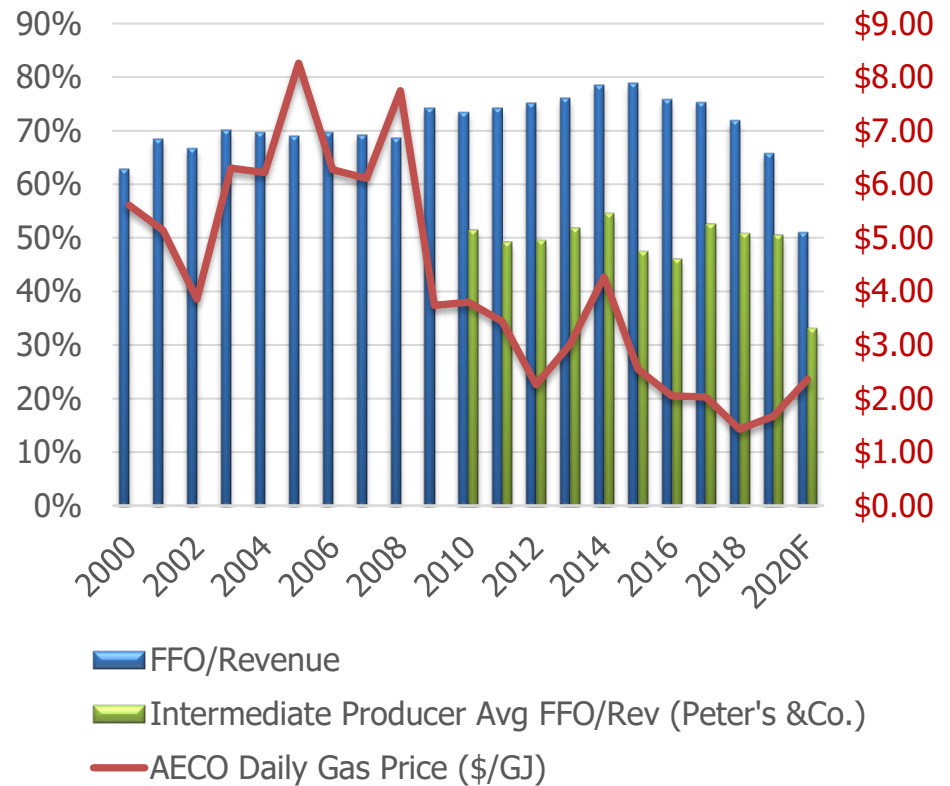
High Operating Margins

"Over the last 10 yrs Peyto has delivered an average operating margin of 74% compared to our peers at 50%."



72%

Peyto Operating Margin
20 Year Avg.



Peyto's Unique Assets



Peyto's Assets

Geographically Focused Core Areas

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

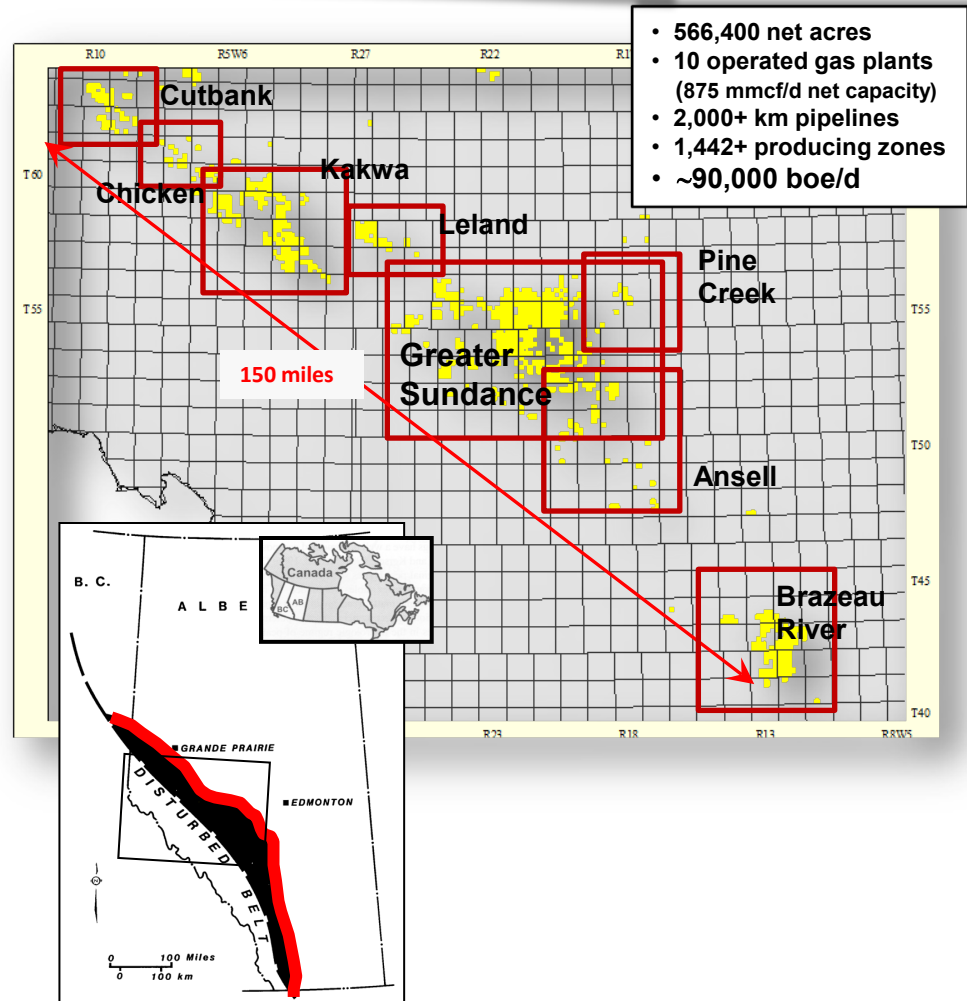


99%

Of Production:
Processed by Peyto
Operated by Peyto

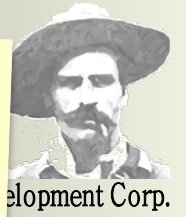
99%

Working Interest in 10
Processing Facilities

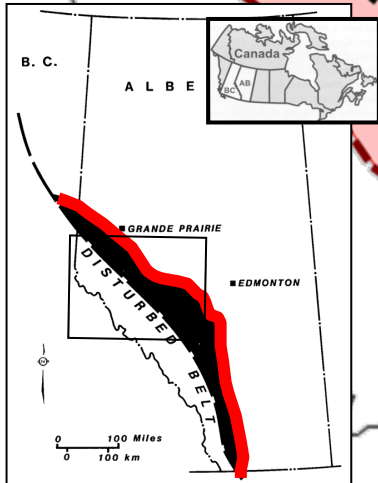
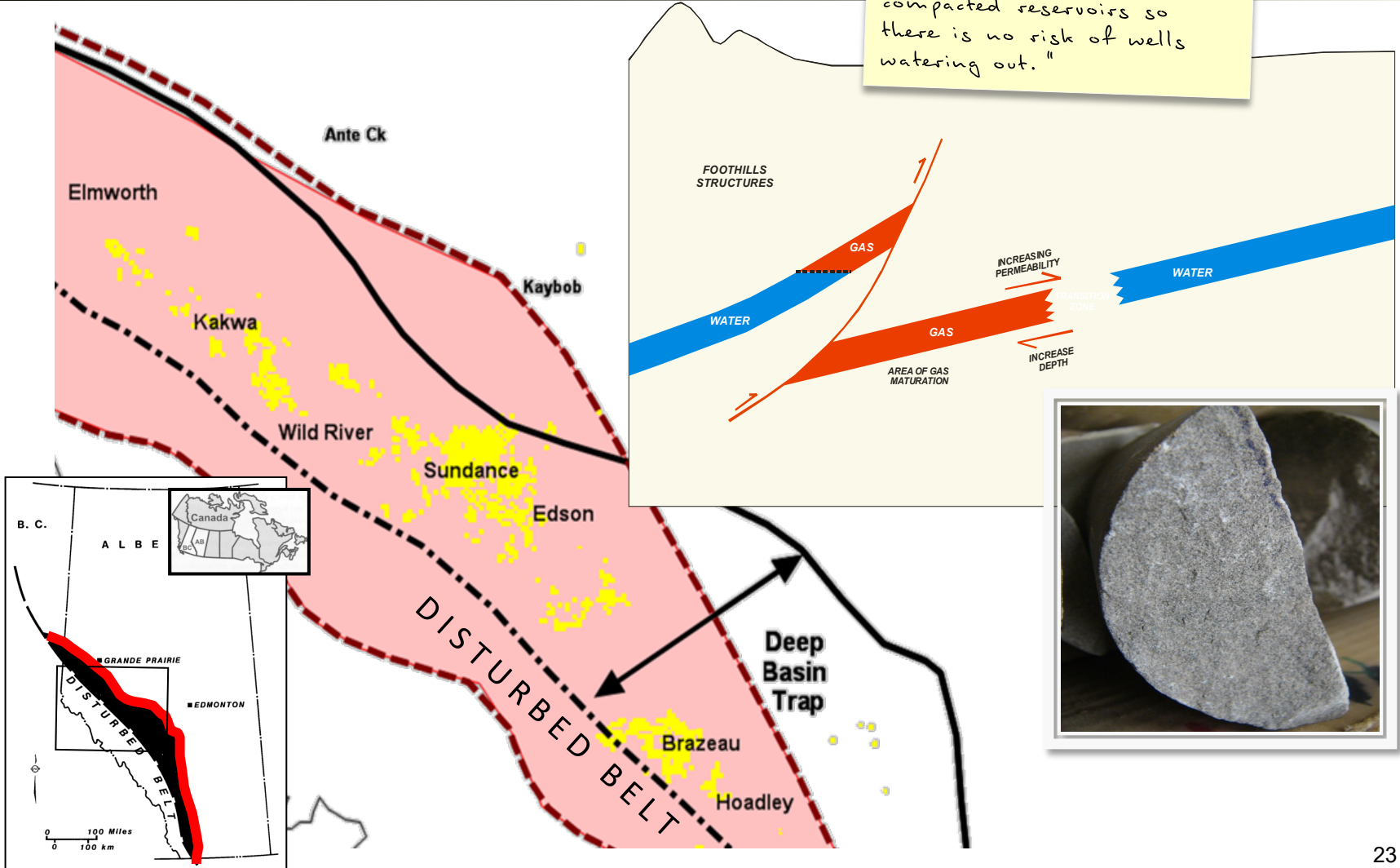


Peyto's Assets

Deep Basin Permeability Segregation



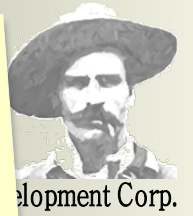
"The Deep Basin is a permeability trap, because the fluids in the updip position can't travel through these fine grained, tightly compacted reservoirs so there is no risk of wells watering out."



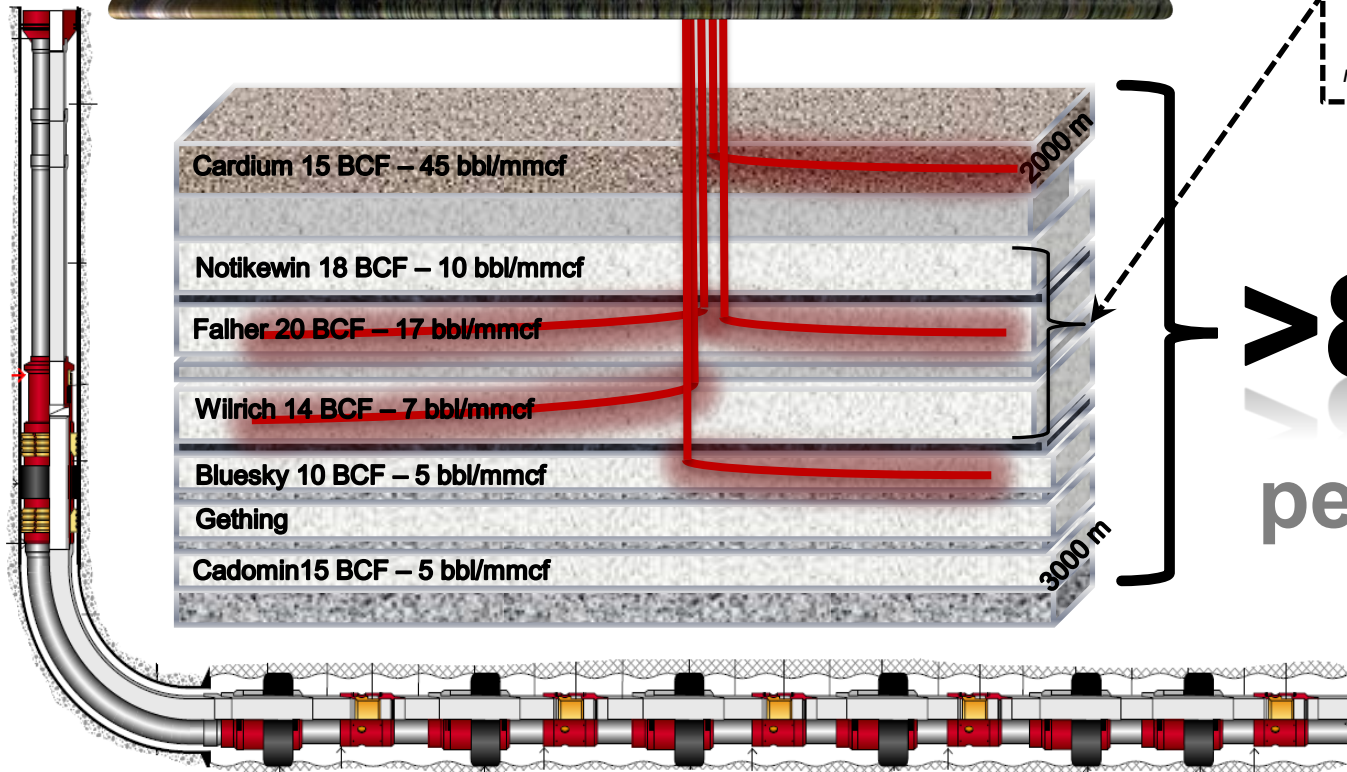
Peyto's Assets

Multi Zone Stacked Sandstone Reservoirs

"Large resource potential, in a concentrated, stacked package, that can be developed with modern horizontal MSF well design and allows us to take advantage of pad drilling efficiencies."



Development Corp.




Detailed Petrophysical work on the Spirit River sands revealed >30% more reserves per section

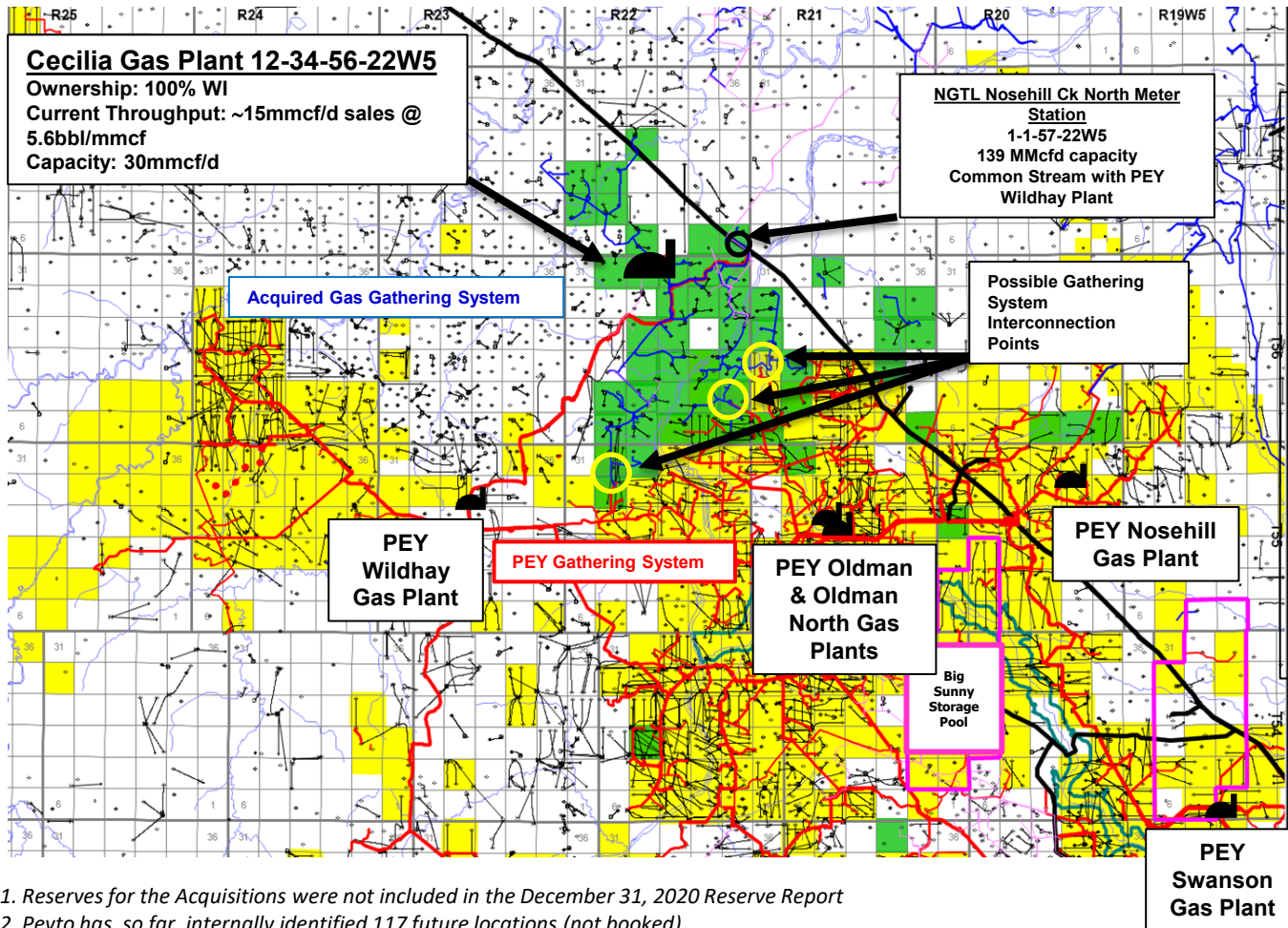
Up to **> 80 BCF** per section*

*NGL recoveries can increase by 15+ bbl/mmcft with deeper cutting processing facilities
Reserves are 2P recoverable in a section at 85% RF

Peyto's Assets

Cecilia Acquisitions \$35MM – Effective Jan 1/21

"Although acquisitions are rare at Peyto they are generally defined by the synergies with our existing core areas."  ant Corp.



Cecilia Acquisitions

- 16.5 mmcf/d gas
- 145 bbl/d ngl
- 2,900 boed
- 12-34-56-22 Gas Plant
 - Jan. 2005 Construction
 - Inlet 950 kPaa
 - Discharge 7,250 kPaa
- Pipelines
 - 6 inch main stem
 - 4 inch well lines
 - 8 inch river crossing
 - 8 inch sales to NGTL
- CSO at Nosehill Creek N
- 114 (106 net) producing wells

1. Reserves for the Acquisitions were not included in the December 31, 2020 Reserve Report
2. Peyto has, so far, internally identified 117 future locations (not booked)
3. There will be many cost synergies between Cecilia and Peyto's other nearby gas plants

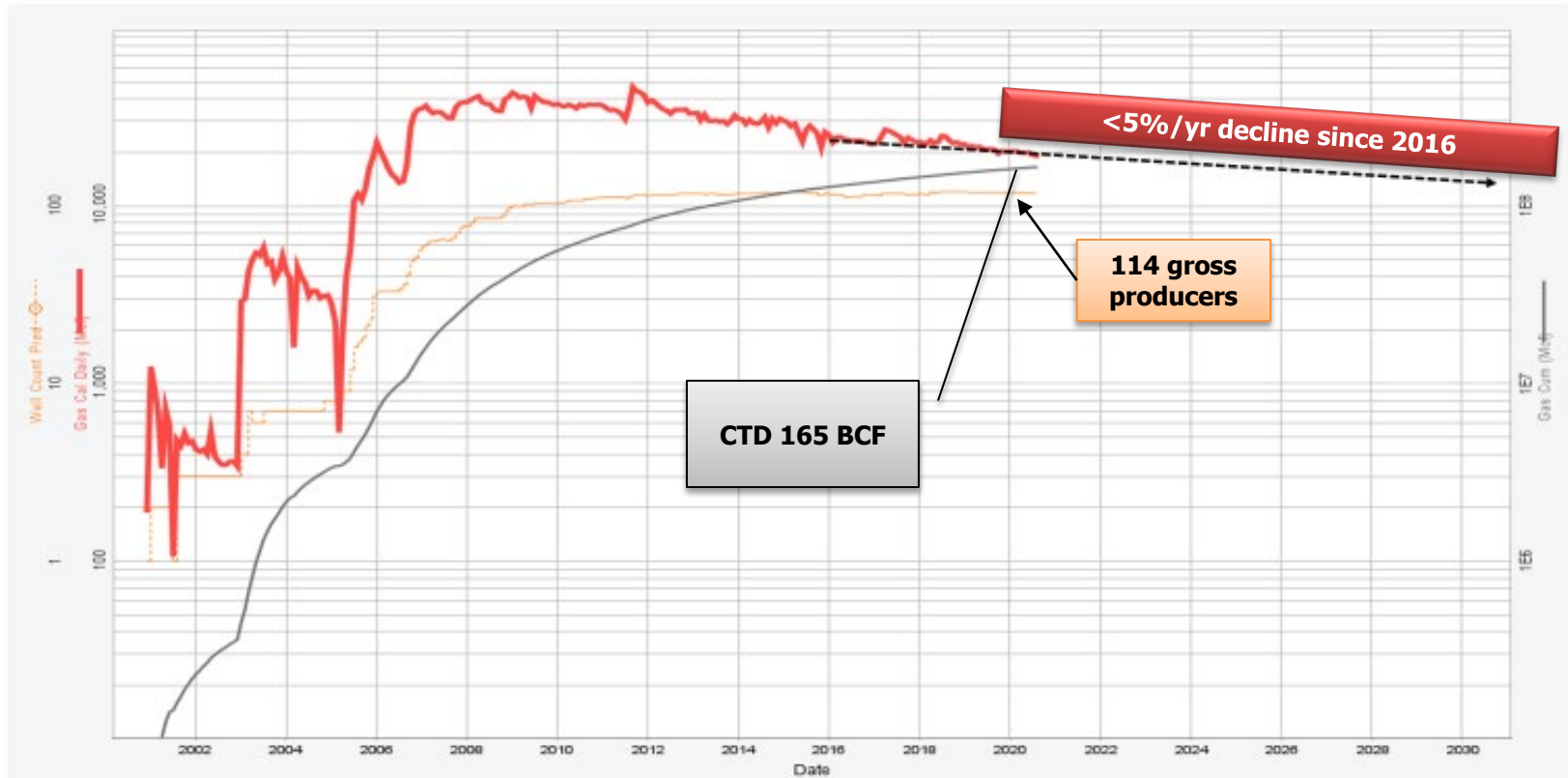
Peyto's Assets

Cecilia Acquisitions – Ultra-low Decline

"The Cecilia wells exhibit extremely stable, low decline production ranging from 100 to 250 mcf/d/well."

Corp.

Combined Gross Production History



Peyto's Assets

#1 Horizontal Deep Basin Driller

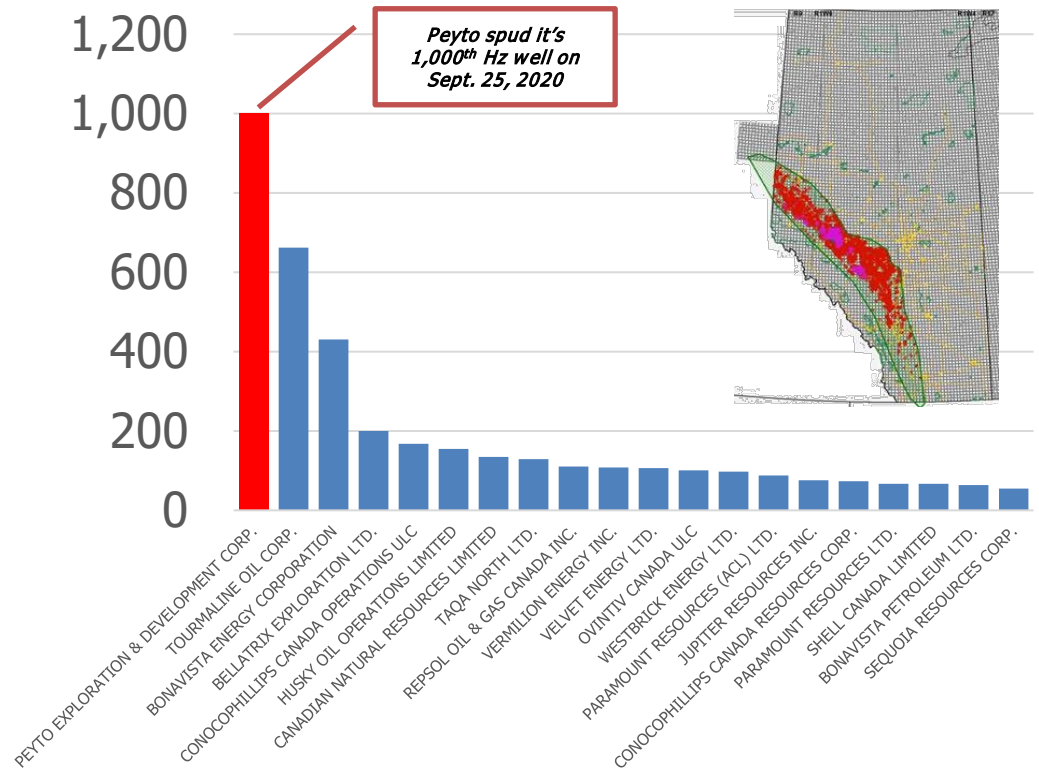
"Peyto has been the most active driller in the Alberta Deep Basin over the last decade."



1,000

Peyto Deep Basin Horizontal Wells
(2009-Sept 2020)

Alberta Deep Basin Hz Spuds



Peyto's Assets

Large Hz MSF Inventory

"Peyto has developed 4.0 TCFe using vertical and now horizontal wells. But there is a lot more to do. Over 30+ years worth of drilling inventory at current pace."

	Done ¹		To Do	
	Total Vertical Wells	Total Hz Wells	Total Hz(Vt) Locations Booked ²	Total Hz Locations Unbooked ³
SMOKY	2		(2)	
CHINOOK ●✱	440	200	459(9)	424
PUSKWASKAU □				
BADHEART ●				
MUSKIKI □				
CARDIUM ●				
KASKAPAU □				
DOE CK ●✱				
POLICE COUPE				
DUNVEGAN ●✱ X	5	1	1	4
SHAFTEBURY □				
BELLE FOURCHE □				
FISH SCALE □				
WESTGATE □	1		2	23
PADDY ✱				
CADOTTE ✱				
PEACE RIVER				
HARMON □				
FORT ST. JOHN	90	197	186	73
NOTIKEWIN ✱	7	75	38	21
A		117	150	103
B				
C				
D				
E				
F				
SPIRIT RIVER	15	409	2	39
FALHER ✱ X			309	135
WILRICH □				
BULL-HEAD	4	44	54	34
BLUESKY ●✱△	12	2	18	205
GETHING ●✱△ X	87	2		
MONTNEY		1	0	120
CADOMIN ●✱				
TOTAL	663	1048	1,219(11) 1,230	1,181 >2,400 locations

1. Drilling to Dec 31, 2020
2. As recognized in the IPC independent reserve report dated Dec. 31, 2020
3. Unbooked internal location inventory based on Company net sand and 3D seismic mapping
4. Extended reach horizontal wells are counted as one location even though they may replace two previously counted locations

Peyto's Assets

Deep Basin Lands Go A Long Way

"Land sales for much of 2020 were suspended by the Alberta Government due to COVID. Instead, we focused on offsetting any expiries with farm ins and asset deals."

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885

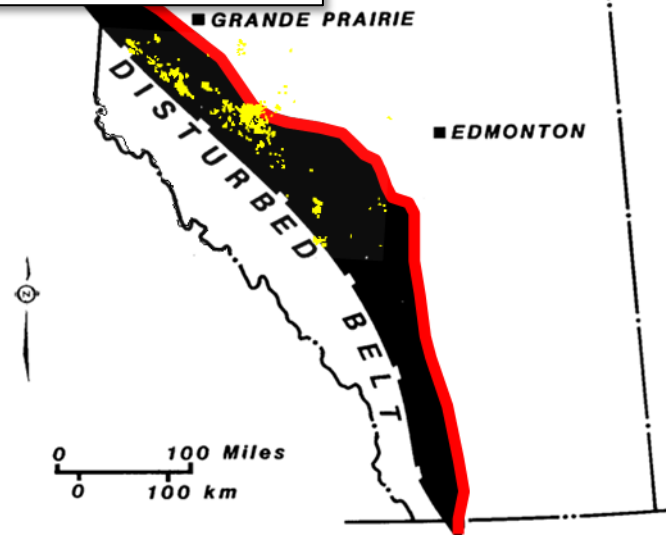
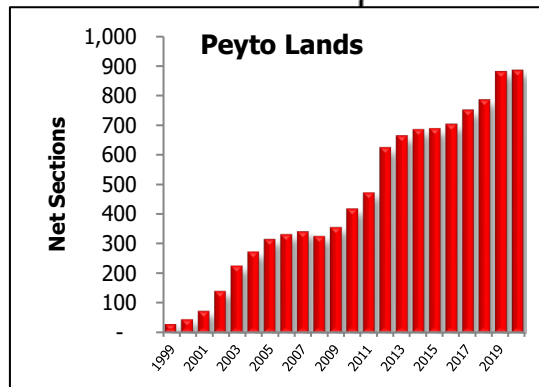
Net Peyto Sections

3,232

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

354

Net Sections – Developed Area of All Reserves Found and Developed Since Peyto Began (3.8 TCFe EUR)*

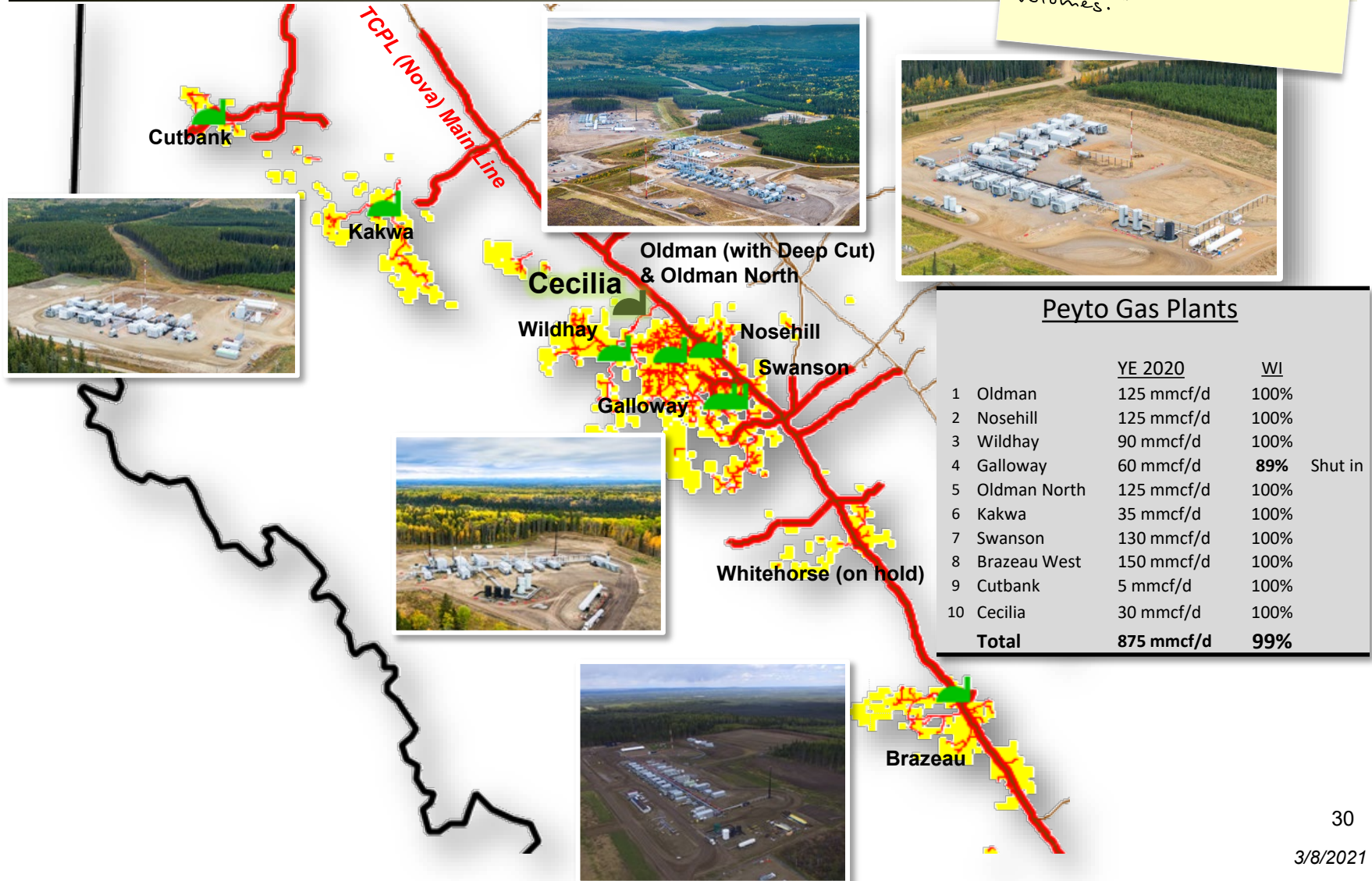


TCFe of PD EUR – Trillion Cubic Feet equivalent of Proven Developed Estimated Ultimate Recoverable
*Based on InSite Petroleum Consultants Dec 31, 2020 Reserve Report.
Lands at Dec 31, 2020

Peyto's Assets

Facility Ownership And Control

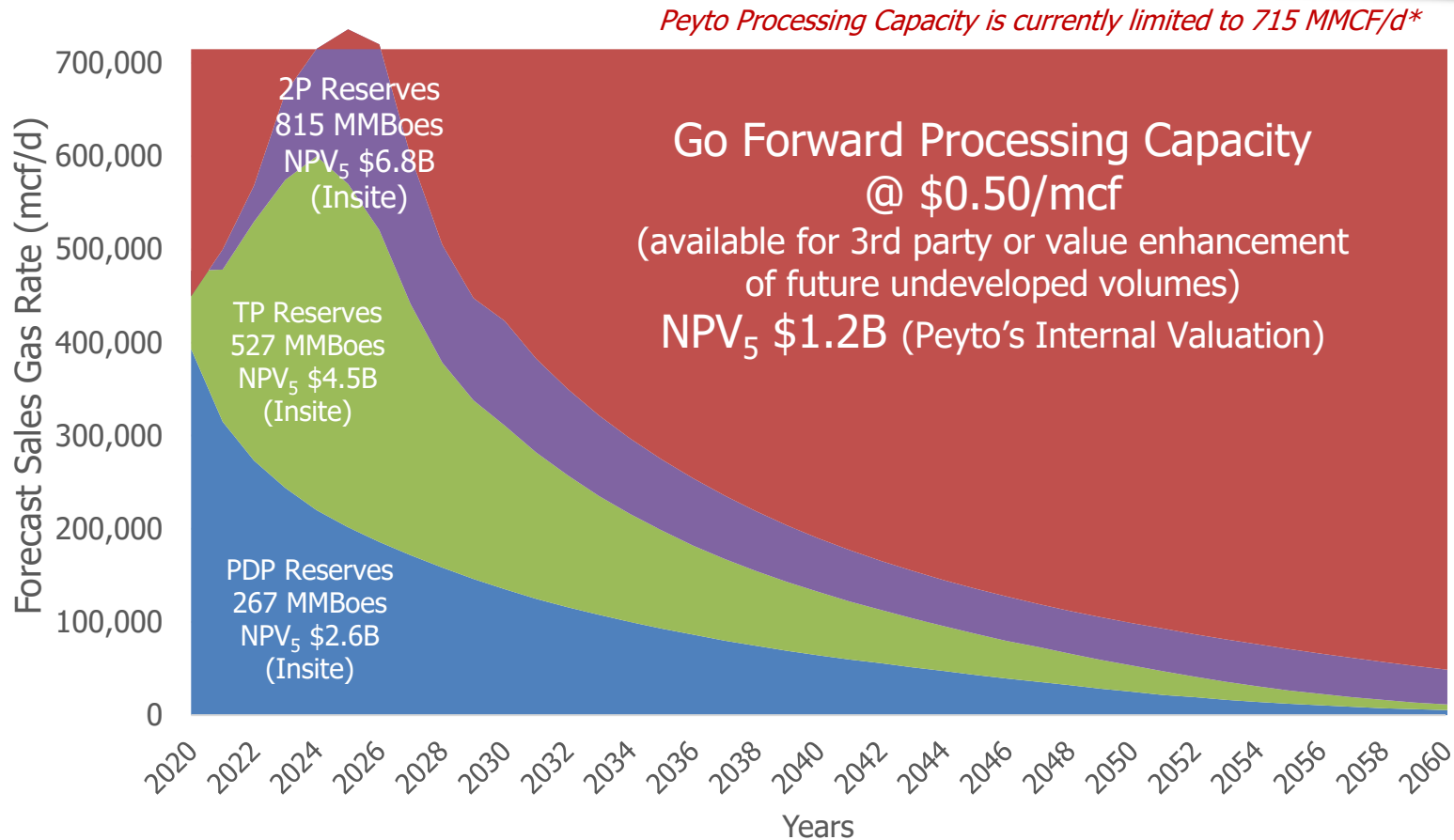
"Peyto has excess capacity in its 875 mmcf/d of operated plant capacity that can be used to generate third party processing income until we need it for our own volumes."



Peyto's Assets

Valuable Midstream Processing Capacity

"Peyto continues to look for ways to enhance the value of its infrastructure assets through initiatives like 3rd party processing."



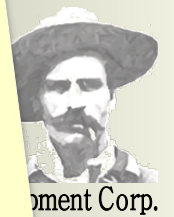
Based on Insite's December 31, 2019 Reserve Report

* Galloway plant current shut in. OMN and Brazeau plants have 20 mmcf/d compression out of service, Wildhay capacity reduced by 30 mmcf/d due to liquids handling, reduced suction pressure at remaining plants

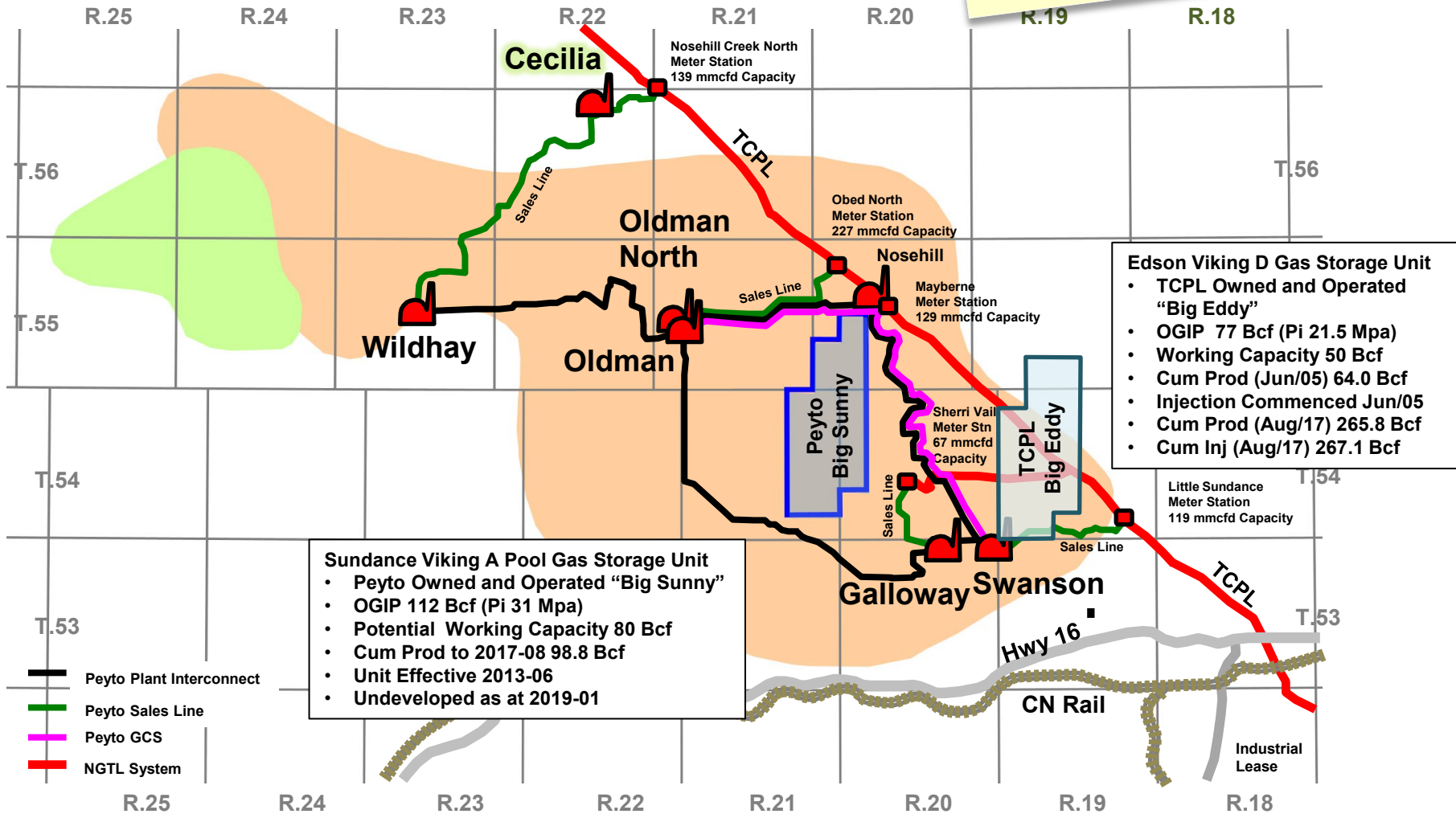
Peyto's Assets

"Big Sunny" Natural Gas Storage Scheme

"Peyto's Big Sunny storage scheme would be perfect seasonal gas storage or for CO₂ sequestration."



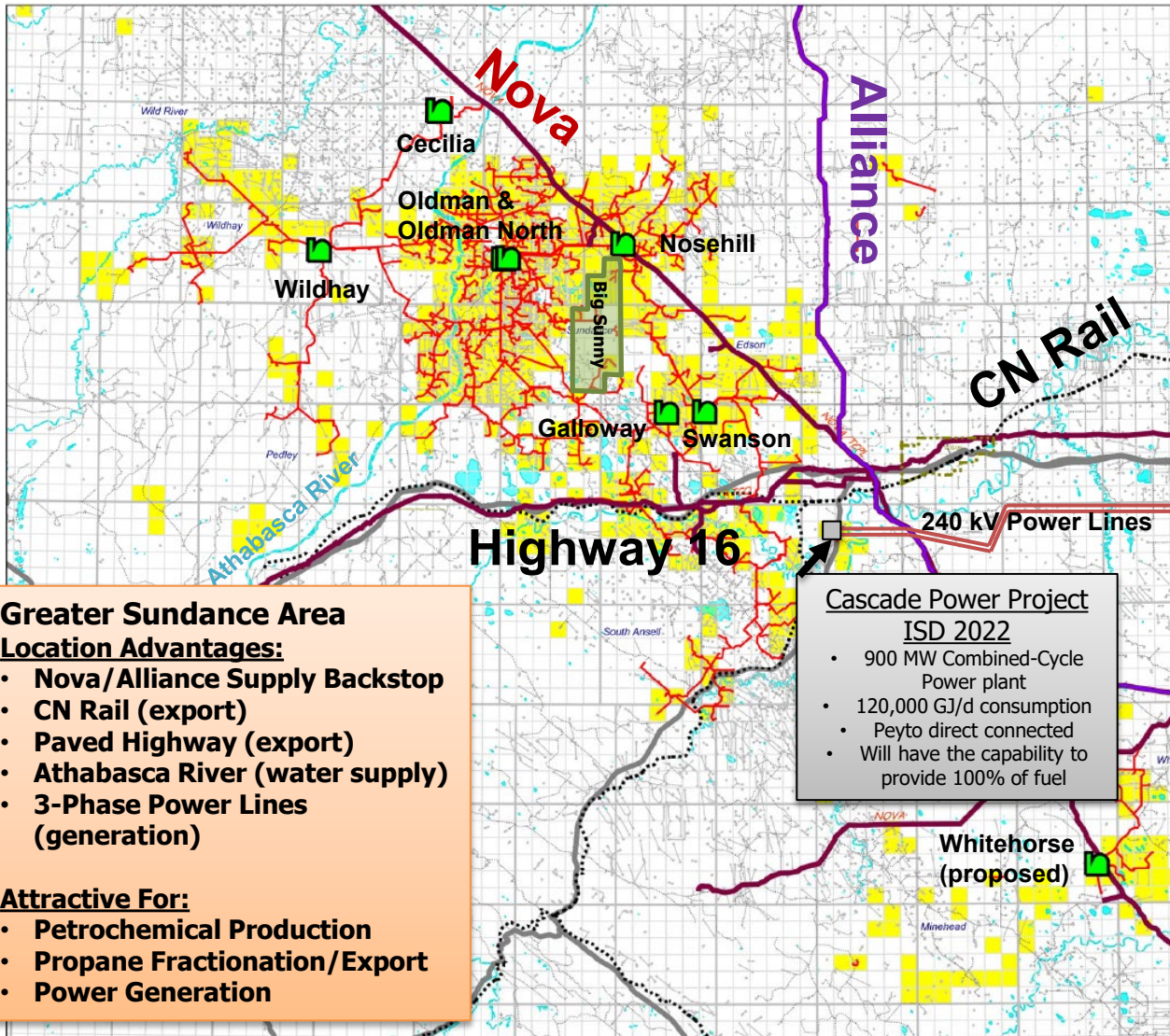
ment Corp.



Peyto's Assets

Unique Infrastructure Location

"Peyto's Greater Sundance Area plant/gathering/resource sits on Nova, on a divided highway, on rail, and on the 3 phase power grid making it perfectly situated for Petchem and power generation infrastructure investments."



Greater Sundance Area Location Advantages:

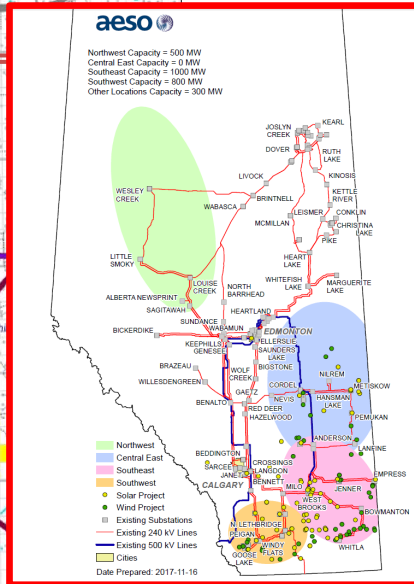
- Nova/Alliance Supply Backstop
- CN Rail (export)
- Paved Highway (export)
- Athabasca River (water supply)
- 3-Phase Power Lines (generation)

Cascade Power Project
ISD 2022

- 900 MW Combined-Cycle Power plant
- 120,000 GJ/d consumption
- Peyto direct connected
- Will have the capability to provide 100% of fuel

Attractive For:

- Petrochemical Production
- Propane Fractionation/Export
- Power Generation

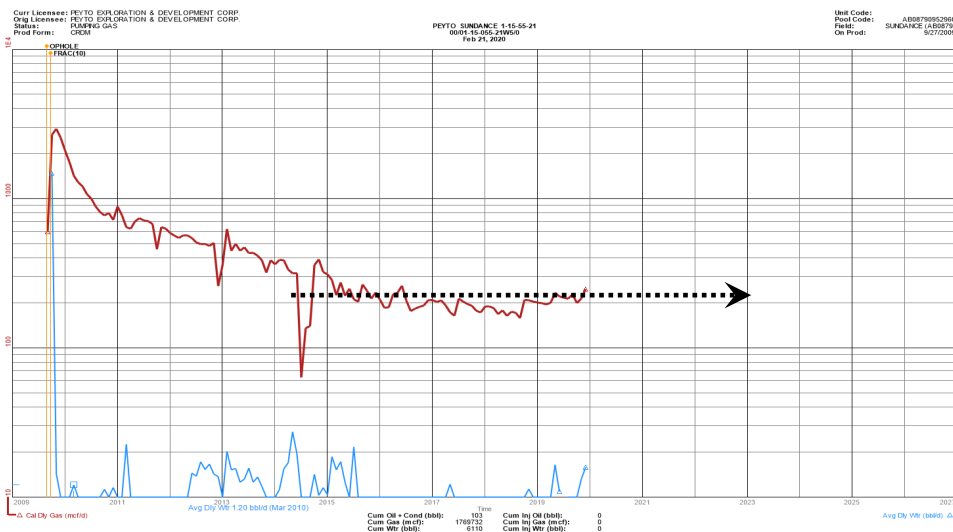
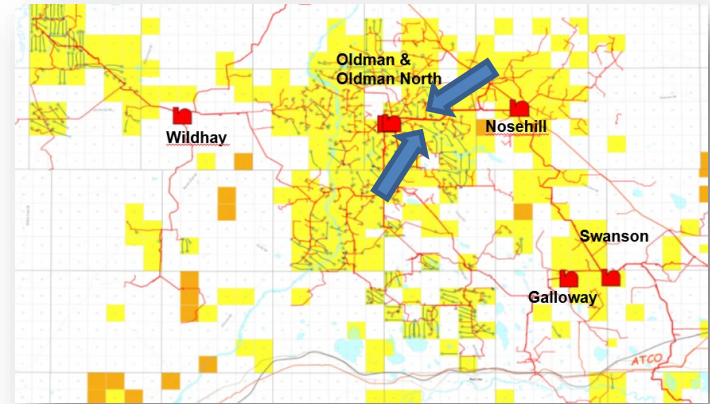
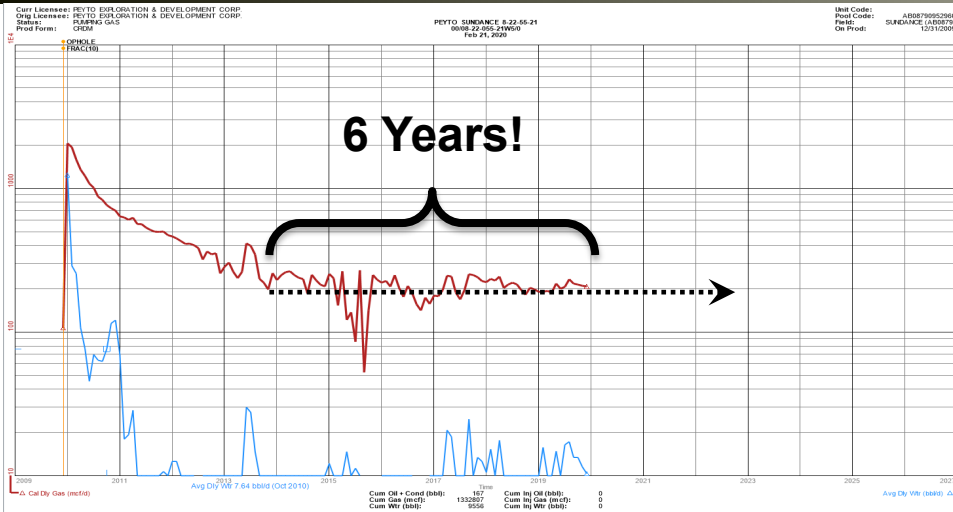


Peyto's Assets

First Cardium Hz's Have Reached Terminal Decline

PEYTO

Exploration & Development Corp.



There is nothing sexy about a 200 mcf/d gas well, except when it doesn't decline. Then it becomes an incredible annuity assuming you can keep the costs down (which Peyto can!).

Peyto's Assets

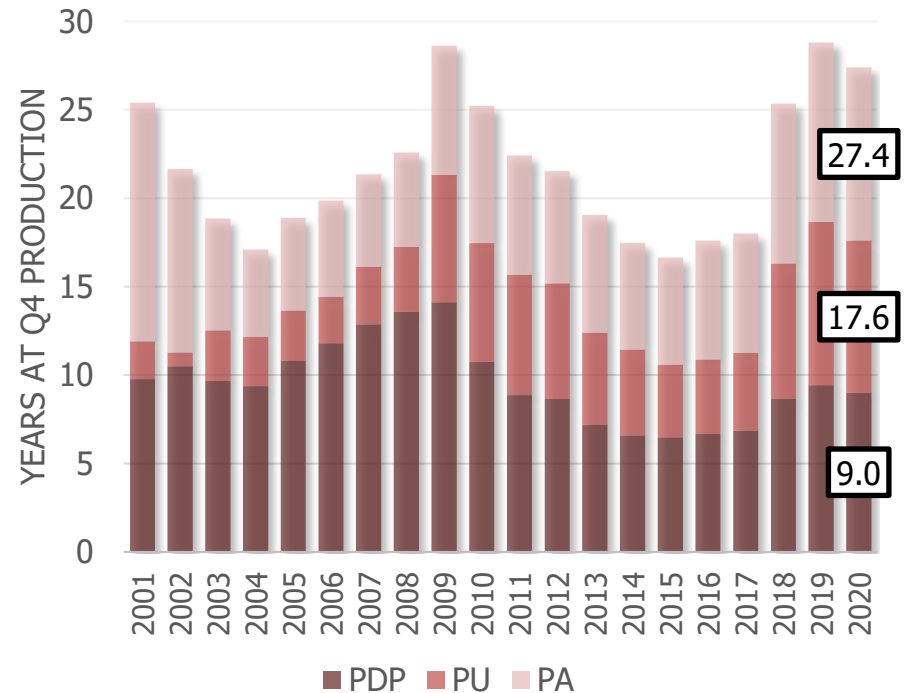
Long Reserve Life Asset

"Peyto has one of the longest producing reserve life assets in the industry."

Corp.

9.0
Years PDP

RESERVE LIFE INDEX

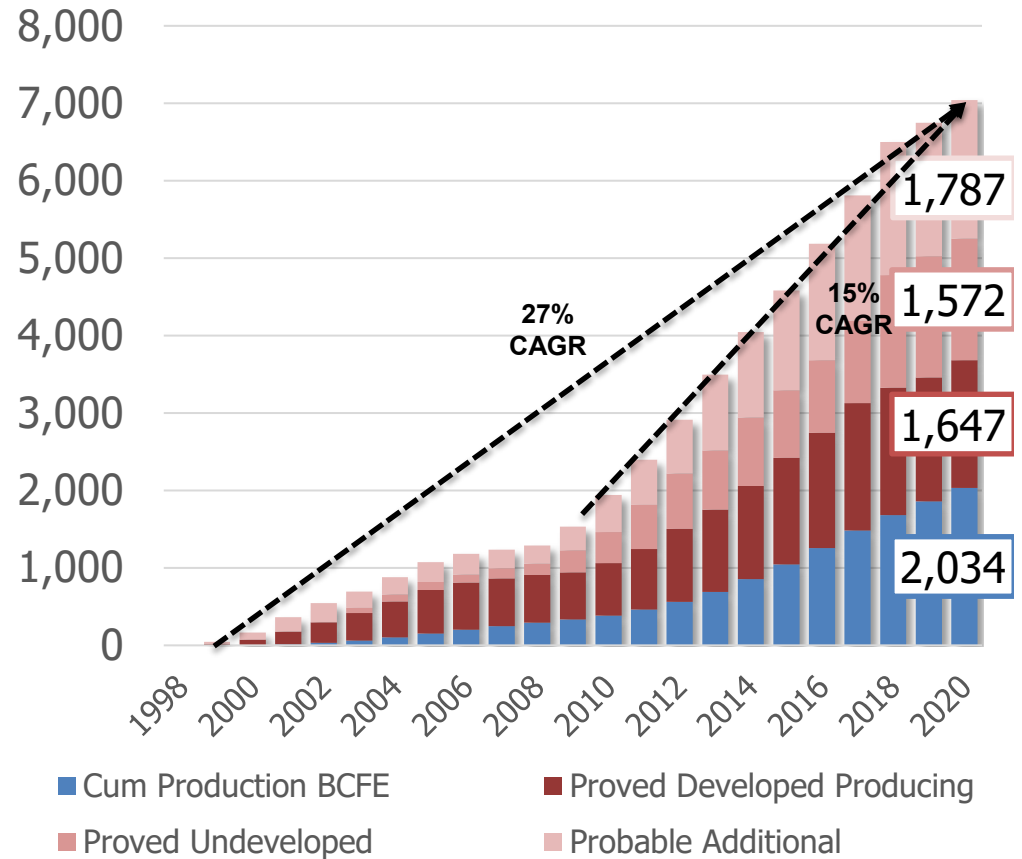


Peyto's Assets

Organic Reserves Growth



7.0
TCFe of
Discovered Reserves



Peyto's Assets

What Shareholders Currently Own

"Peyto has significant tangible assets, in addition to our reserve assets, which makes up all that shareholders own. This doesn't include our recent acquisitions."

Tangible Infrastructure (Replacement Value as at Dec 31, 2020)

80 Compressors (\$3.25MM each)	\$259 MM	
17 Inlets (\$1.8MM each)	\$31 MM	
20 Refrigeration plants (\$5.4MM each)	\$108 MM	
12 Power Generation Sets (\$1.6M each)	\$19 MM	
23 LPG Bullets (\$0.8MM each)	\$19 MM	
14 Condensate Stabilizers (\$0.8MM each)	\$11 MM	
18 Tanks, flares, MCC, Sales, VRU, etc (\$6.8MM per)	\$96 MM	
1,462 Wellsite Separator Packages (net to Peyto)	\$408 MM	
245 400bbl Tanks (\$45k each)	\$11 MM	
2,248 km of gathering pipelines (4"-10" pipe)	\$562 MM	
	\$1,524 MM	\$9.24/share

Reserves (as at Dec 31, 2020)*

	<u>Volume</u>	<u>NPV₅/share</u>	<u>NPV₁₀/share</u>
Proven Developed Reserves – Currently generating cashflow (PDP+PDNP+PA)	337 mmboes	\$19.53	\$13.35
Proven Undeveloped Reserves – Yet to be drilled (PU+PA)	312 mmboes	\$16.32	\$9.63
Probable Additional Reserves (PA)	<u>186 mmboes</u>	<u>\$6.54</u>	<u>\$3.44</u>
Total P+P Reserves	834 mmboes	\$42.39/share	\$26.41/share

Total Debt (as at Dec 31, 2020)

Revolving Net Debt (unaudited Q4 2020)	(\$761 MM)	
Term Debt	(\$415 MM)	
Total Net Debt	(\$1,176 MM)	\$7.13/share

*Includes all liabilities, see Peyto's 2021 reserves release for disclosure

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 Incredible Returns



Peyto's Returns

Updated Template Economics At Strip

"Even at the current strip, most of Peyto's play types are generating solid half cycle returns. And we have plenty of room in our gas plants for these wells."

Type Entity	Gross IP3 (boe/d)	Gross EUR (mboe)	% Liquids	Gross DCET (M\$)	Half Cycle IRR (%)
2020 Brazeau Cardium	965	610	25%	\$3,060	262%
2020 Brazeau Notikewin	875	845	14%	\$4,310	62%
2020 Sundance Notikewin	585	548	9%	\$2,910	49%
2020 Wild River Cardium	475	345	26%	\$2,760	44%
2020 Sundance Cardium	380	460	25%	\$2,860	40%
2020 Sundance Wilrich - ERH	570	755	5%	\$3,460	35%
2020 Brazeau Wilrich - ERH	750	730	6%	\$3,660	34%

Price Deck: Feb 18, 2021 Strip Price

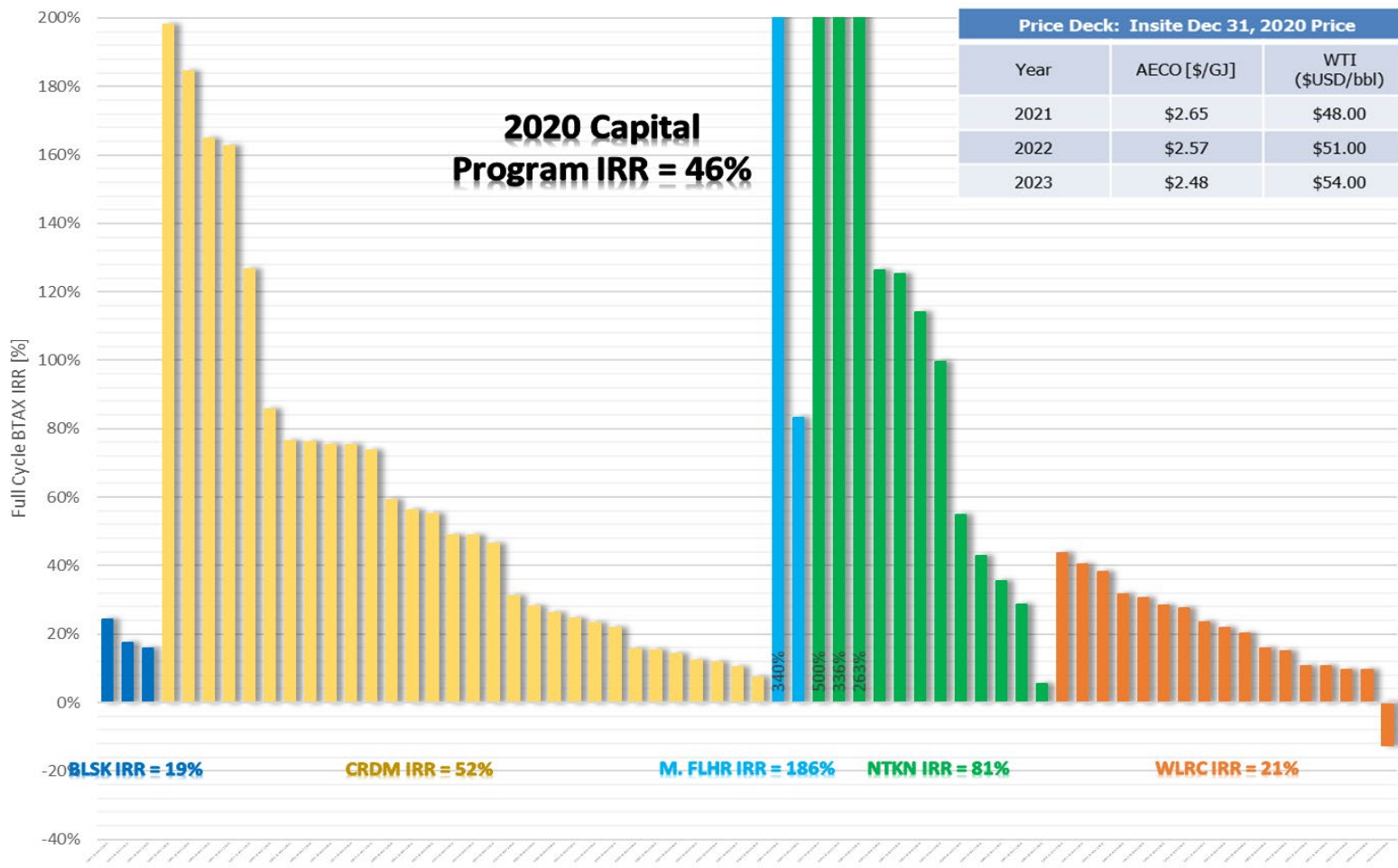
Year	AECO [\$/GJ]	WTI (\$USD/bbl)
2021	\$2.78	\$57.35
2022	\$2.45	\$53.33
2023	\$2.13	\$50.76

Peyto's Returns

2020 Post-Mortem Returns Analysis – Insight Deck

"2020 was diversified between Cardium and SR. Full cycle IRRs at the Feb 18/21 strip were even better at 48%."

2020 Wells Sorted by Species
Price Deck: 2020 Actuals + Insite Dec 31, 2020 Price



Full cycle IRR is determined using actual capital spent on each well, including a \$825k provision for land, seismic, and facilities in order to total to the \$236MM 2020 total capital expenditures. Economics are run using actual 2020 prices realized plus the Insite Petroleum Consultants commodity forecast as at Dec 31/20.

Peyto's Returns

High Returns On Your Capital And Equity

"Investors rarely get to participate in the wells themselves, making type well economics somewhat meaningless. ROE and ROCE are the returns investors get, after deducting corporate costs."

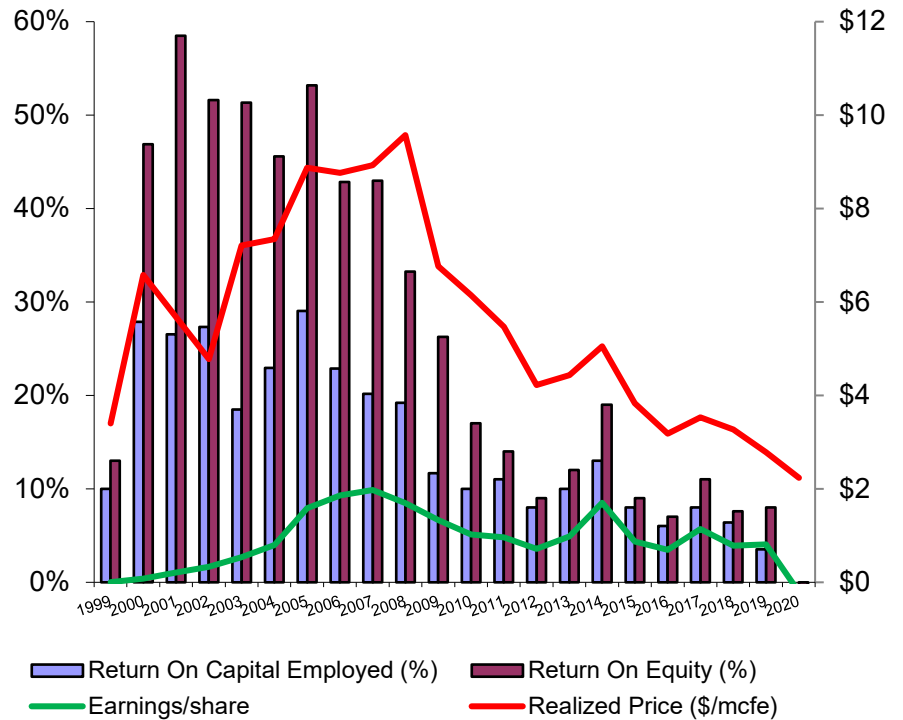


26%

22 yr Avg ROE to 2020

15%

22 yr Avg ROCE to 2020



Return on Equity (ROE) is earnings for the period divided by average shareholders equity – reveals how much profit a company generates with the money shareholders have invested (22 yrs 1999-2020)

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

Peyto's Future



Peyto's Future

2021 Outlook

"2021 will continue to be a flexible year depending on the natural gas price outlook and seasonal dynamics regarding summer prices."



\$300M-
\$350M

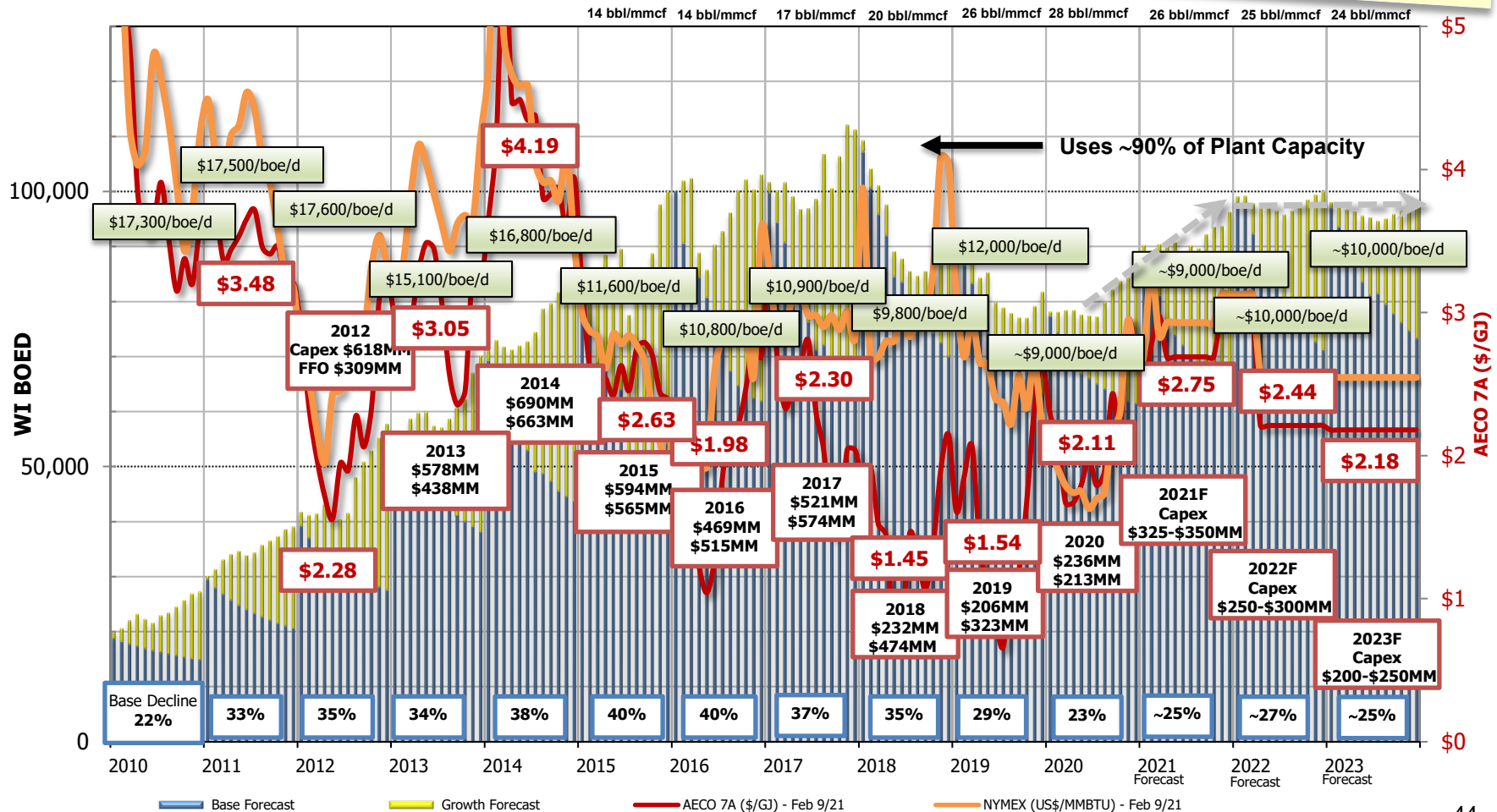
2021 Capital Program

- ✓ **Drill ~80Hz Wells**
(Liquids Rich Natural Gas) vs 65 in 2020
- ✓ **Market 3rd Party Capacity**
Offer Excess Capacity to Other Operators
- ✓ **Increase Opportunities**
Undeveloped Land Base
- ✓ **Diversify Markets**
Evaluate New Pipe Options
- ✓ **Improve Balance Sheet**
Fund capital program entirely from free cashflow

Peyto's Future

Gas Price Stability Before Returning to Growth

"The outlook for production and capital is very fluid, contingent on the futures curve for AECO/NYMEX gas prices which are changing rapidly. Peyto is nimble and can respond quickly with ramped up drilling or production shut-ins/deferrals."



* 2020 and beyond provided for illustration only. Budgets and forecasts are subject to change due to a variety of factors including but not limited to prior year's results. FFO – Funds from Operations, see definition in Financial Reports. Future illustration derived from historical well performance and cost assumptions.

Peyto's Future

Lower Costs to Preserve Profit

"We must drive down our costs further to protect against a prolonged low gas price. There are no guarantees it will ever go higher. Hope is not a strategy, but cost control is."

	PEY 2018	PEY 2019	PEY 2020	2021 PEY Goals
Revenue \$/mcf	\$3.27	\$2.78	\$2.23	\$3.32
Cash Costs \$/mcf	(\$0.92)	(\$0.95)	(\$1.01)	(\$1.00)
Capital Costs (PDP FD&A) \$/mcf	(\$1.18)	(\$1.55)	(\$1.06)	(\$1.00)
Total Supply Cost \$/mcf	\$2.10	\$2.50	\$2.07	\$2.00
Full Cycle Netback \$/mcf	\$1.17	\$0.28	\$0.16	\$1.32
Dividend \$/mcf	\$0.59	\$0.22	\$0.08	
		\$1.32/yr	\$0.72/yr	\$0.09/yr

86% Gas @\$2.11/GJ*1.15
14% NGLs@\$31/bbl=(60%of \$52oil)
\$2.81/mcfe
-\$0.58/mcfe diversification
\$2.23/mcfe

86% Gas @\$2.50/GJ*1.15
14% NGLs@\$42/bbl=(60%of \$70 CND WTI)
~\$3.45/mcfe (before market diversification)

- Volumes up, per unit costs down
- Transport cost up to ensure higher price

Royalties (\$0.13)
Opex (\$0.34)
Transport (\$0.17)
G&A (\$0.04)
Interest (\$0.33)
Total Costs (\$1.01)

2020 PDP FD&A
Land/Acq/Disp
Seismic
Drilling
Compl.
Wellsite
Facilities
\$236MM

PDP FD&A
\$6.36/boe or
\$1.06/mcfe

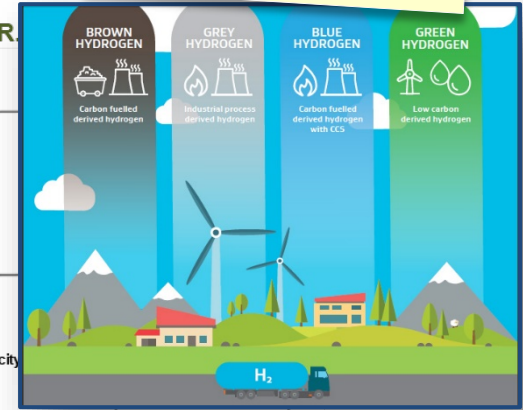
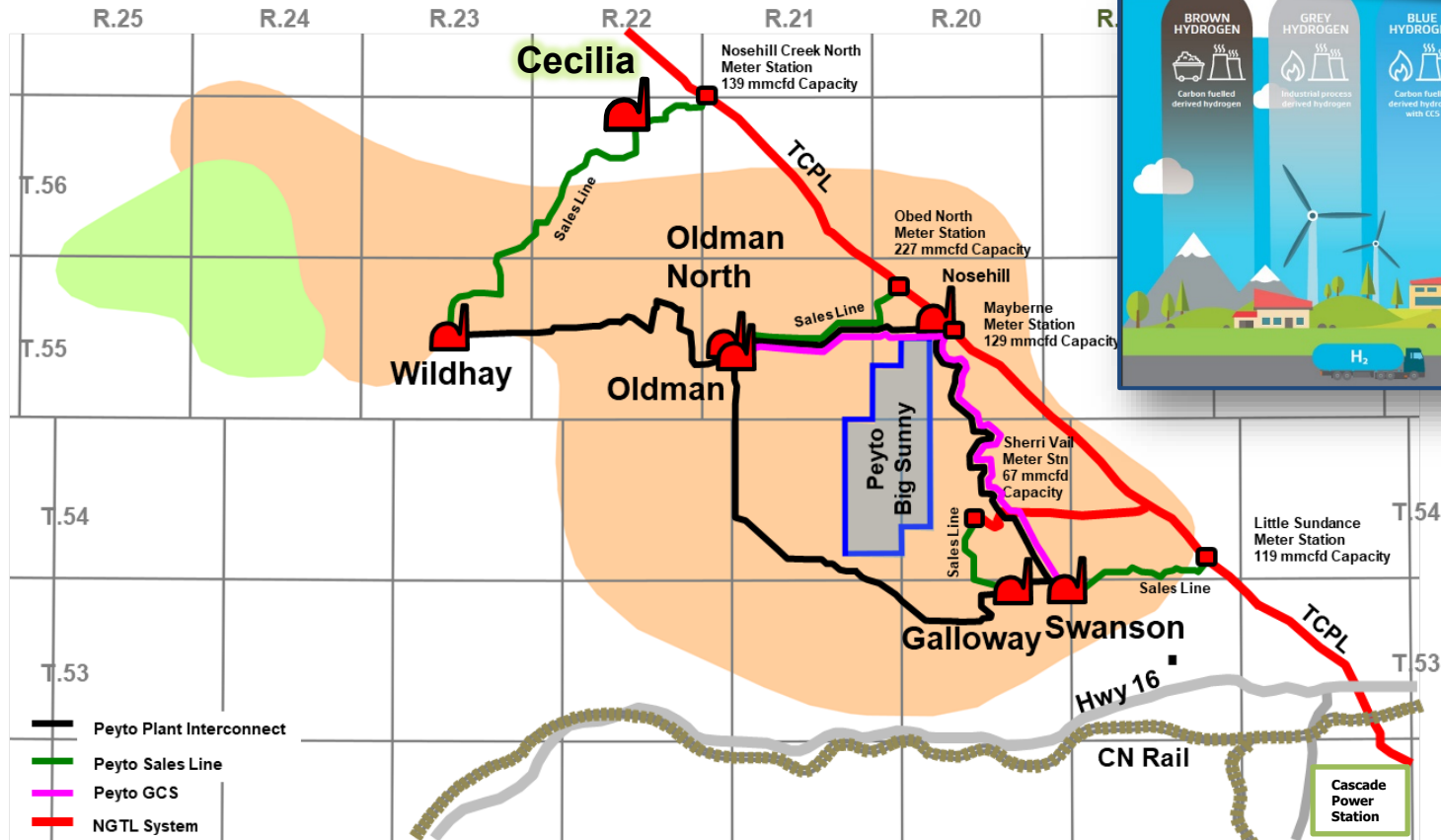
- Capex down (incr drill speed)
- Reserves up (long lateral, incr frac intensity)

Peyto can generate a 40% profit from \$2.50 AECO gas and \$55 USWTI oil, all because of low supply cost

Peyto's Future

Blue Hydrogen? We Have All the Right Ingredients

"If Hydrogen is the fuel of the future, then Peyto is perfectly positioned to develop it."

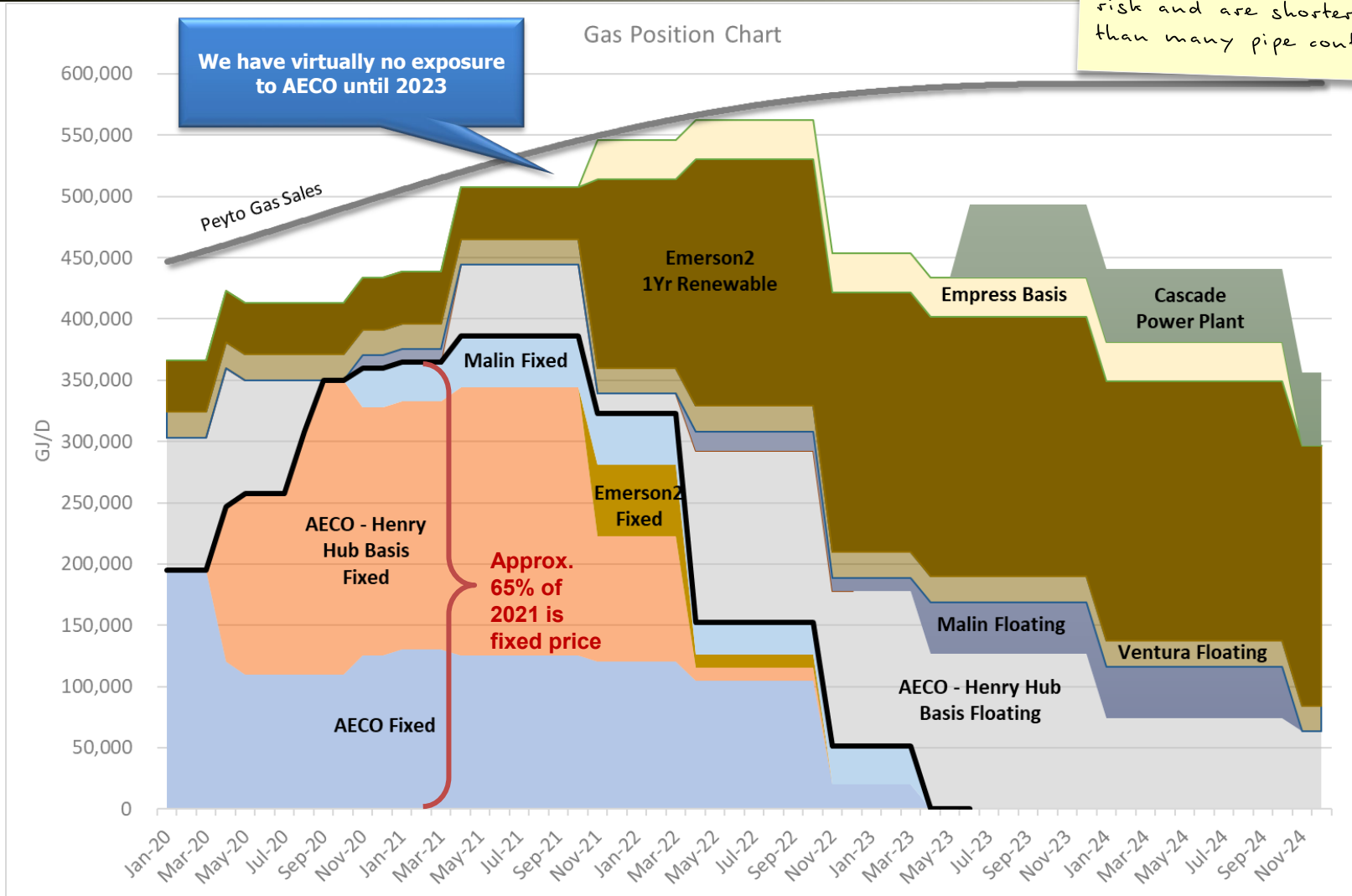


>4 TCF of 2P natural gas reserves **+** Interconnected gas pipeline and facility infrastructure **+** Big Sunny underground storage cavern for CO₂ **+** Rail, Hwy, and ultimately pipeline for hydrogen transport **=** H₂

Gas Marketing

Future Market Diversification and Gas Price Protection

"Peyto has used financial basis deals between AECO and other hubs to gain market diversification and allow us to hedge at various markets. Basis deals have very little physical deliver risk and are shorter term than many pipe contracts."



*Average Heating Value of approximately 1.15 GJ/mcf for Peyto's gas

Gas Marketing

Fixed Price Swaps For Gas and Liquids

"Peyto uses a dollar cost averaging approach to smooth out the volatility in future prices by forward selling small blocks of production every week. Fixed price swaps give price certainty."

1.15 Heating Value GJ/mcf
1.315 cad/usd

Peyto Marketing Summary

AECO 7A Fixed Price Swaps (CAD\$/GJ)																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Volume GJ/d	186,667	186,667	185,000	95,000	95,000	111,667	121,667	120,000	75,000	75,000	105,000	93,750	120,000	105,000	105,000	48,333	94,583	20,000	-	-	-	-	5,000
Price CAD\$/GJ	\$1.77	\$1.77	\$1.85	\$1.66	\$1.66	\$2.22	\$1.86	\$2.53	\$2.00	\$2.00	\$2.66	\$2.35	\$2.87	\$2.19	\$2.19	\$2.24	\$2.41	\$2.38	-	-	-	-	\$2.38
Volume mcf/d	162,419	162,419	160,969	82,660	82,660	97,161	105,862	104,412	65,258	65,258	91,361	81,572	104,412	91,361	91,361	42,055	82,297	17,402	-	-	-	-	4,351
Price CAD\$/mcf	\$2.03	\$2.03	\$2.13	\$1.91	\$1.91	\$2.55	\$2.14	\$2.90	\$2.30	\$2.30	\$3.06	\$2.71	\$3.30	\$2.52	\$2.52	\$2.58	\$2.77	\$2.73	-	-	-	-	\$2.73

AECO 5A Fixed Price Swaps (CAD\$/GJ)																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Volume GJ/d	16,667	16,667	10,000	18,333	15,000	8,333	12,917	10,000	50,000	50,000	16,667	31,667	-	-	-	-	-	-	-	-	-	-	-
Price CAD\$/GJ	\$1.53	\$1.53	\$1.92	\$1.69	\$1.68	\$2.03	\$1.78	\$2.53	\$2.22	\$2.22	\$2.22	\$2.25	-	-	-	-	-	-	-	-	-	-	-
Volume mcf/d	14,502	14,502	8,701	15,952	13,052	7,251	11,239	8,701	43,505	43,505	14,502	27,553	-	-	-	-	-	-	-	-	-	-	-
Price CAD\$/mcf	\$1.75	\$1.75	\$2.20	\$1.94	\$1.93	\$2.33	\$2.05	\$2.90	\$2.56	\$2.56	\$2.56	\$2.58	-	-	-	-	-	-	-	-	-	-	-

AECO PHYS Basis (US\$/MMBtu)																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Volume MMBtu/d	68,333	68,333	102,500	94,167	42,500	-	59,792	-	55,000	55,000	28,333	34,583	15,000	132,500	132,500	124,167	101,042	120,000	120,000	120,000	120,000	120,000	120,000
Price US\$/MMBtu	(\$1.34)	(\$1.34)	(\$1.34)	(\$1.44)	(\$1.44)	-	(\$1.39)	-	(\$1.39)	(\$1.39)	(\$1.12)	(\$1.34)	(\$0.63)	(\$1.41)	(\$1.41)	(\$1.00)	(\$1.25)	(\$0.95)	(\$0.95)	(\$0.95)	(\$0.95)	(\$0.95)	(\$0.95)

AECO PHYS Fixed Price (US\$/MMBtu)																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Volume MMBtu/d	53,333	53,333	-	133,333	185,000	204,167	130,625	192,500	207,500	207,500	134,167	185,417	97,500	10,000	10,000	3,333	30,208	-	-	-	-	-	-
Price US\$/MMBtu	\$1.36	\$1.36	-	\$1.19	\$1.02	\$1.25	\$1.15	\$1.42	\$1.24	\$1.24	\$1.35	\$1.31	\$1.47	\$1.16	\$1.16	\$1.16	\$1.41	-	-	-	-	-	-
Price CAD\$/GJ	\$1.69	\$1.69	-	\$1.48	\$1.27	\$1.56	\$1.45	\$1.77	\$1.55	\$1.55	\$1.69	\$1.64	\$1.84	\$1.44	\$1.44	\$1.44	\$1.56	-	-	-	-	-	-
Price CAD\$/mcf	\$1.95	\$1.95	-	\$1.70	\$1.46	\$1.79	\$1.66	\$2.04	\$1.78	\$1.78	\$1.94	\$1.89	\$2.11	\$1.66	\$1.66	\$1.66	\$1.79	-	-	-	-	-	-

VENTURA																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Index Volume MMBtu/d	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Fixed Ventura Vol MMBtu/d	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Ventura Price US\$/MMBtu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed AECO Netback US\$/MMBtu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed AECO Netback CAD\$/GJ	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

EMERSON																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Index Volume MMBtu/d	31,534	31,534	39,867	39,867	39,867	39,867	39,867	39,867	39,867	39,867	110,620	57,555	145,996	190,996	190,996	197,663	181,413	200,996	200,996	200,996	200,996	200,996	200,996
Fixed Emerson Vol MMBtu/d	-	-	-	-	-	-	-	-	-	-	-	36,667	55,000	10,000	10,000	3,333	19,583	-	-	-	-	-	-
Fixed Emerson Price US\$/MMBtu	-	-	-	-	-	-	-	-	-	-	-	\$2.66	\$2.66	\$2.04	\$2.04	\$2.04	\$2.19	-	-	-	-	-	-
Fixed AECO Netback US\$/MMBtu	-	-	-	-	-	-	-	-	-	-	-	\$2.09	\$2.09	\$2.13	\$1.52	\$1.52	\$1.67	-	-	-	-	-	-
Fixed AECO Netback CAD\$/GJ	-	-	-	-	-	-	-	-	-	-	-	\$2.60	\$2.60	\$2.65	\$1.89	\$1.90	\$2.08	-	-	-	-	-	-

MALIN																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Index Volume MMBtu/d	-	-	-	-	-	10,000	2,500	10,000	-	-	-	2,500	-	15,000	15,000	11,667	10,417	10,000	40,000	40,000	40,000	40,000	32,500
Fixed Malin Vol MMBtu/d	-	-	-	-	-	30,000	30,000	30,000	40,000	40,000	40,000	37,500	40,000	25,000	25,000	28,333	29,583	30,000	-	-	-	-	7,500
Fixed Malin Price US\$/MMBtu	-	-	-	-	-	\$3.00	\$3.00	\$3.00	\$2.71	\$2.71	\$3.16	\$2.90	\$3.39	-	-	-	\$3.39	-	-	-	-	-	-
Fixed AECO Netback US\$/MMBtu	-	-	-	-	-	\$2.40	\$2.40	\$2.40	\$2.11	\$2.11	\$2.56	\$2.30	\$2.79	-	-	-	\$2.79	-	-	-	-	-	-
Fixed AECO Netback CAD\$/GJ	-	-	-	-	-	\$3.00	\$3.00	\$3.00	\$2.63	\$2.63	\$3.19	\$2.86	\$3.47	-	-	-	\$3.47	-	-	-	-	-	-

WTI SWAPS (USD)																							
	TOTAL						TOTAL						TOTAL						TOTAL				
	Q4 2019	2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2023	
Volume bbls/d	300	300	1,750	1,417	2,500	2,300	1,992	3,000	3,800	1,600	1,600	2,500	-	-	-	-	-	-	-	-	-	-	-
Price US\$	\$60.15	\$60.15	\$59.37	\$46.81	\$34.78	\$41.63	\$45.65	\$43.31	\$51.96	\$55.71	\$55.15	\$51.53	-	-	-	-	-	-	-	-	-	-	-
Price CAD\$/GJ (Equiv)	\$79.10	\$79.10	\$78.07	\$61.55	\$45.74	\$54.74	\$60.03	\$56.96	\$68.32	\$73.26	\$72.52	\$67.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

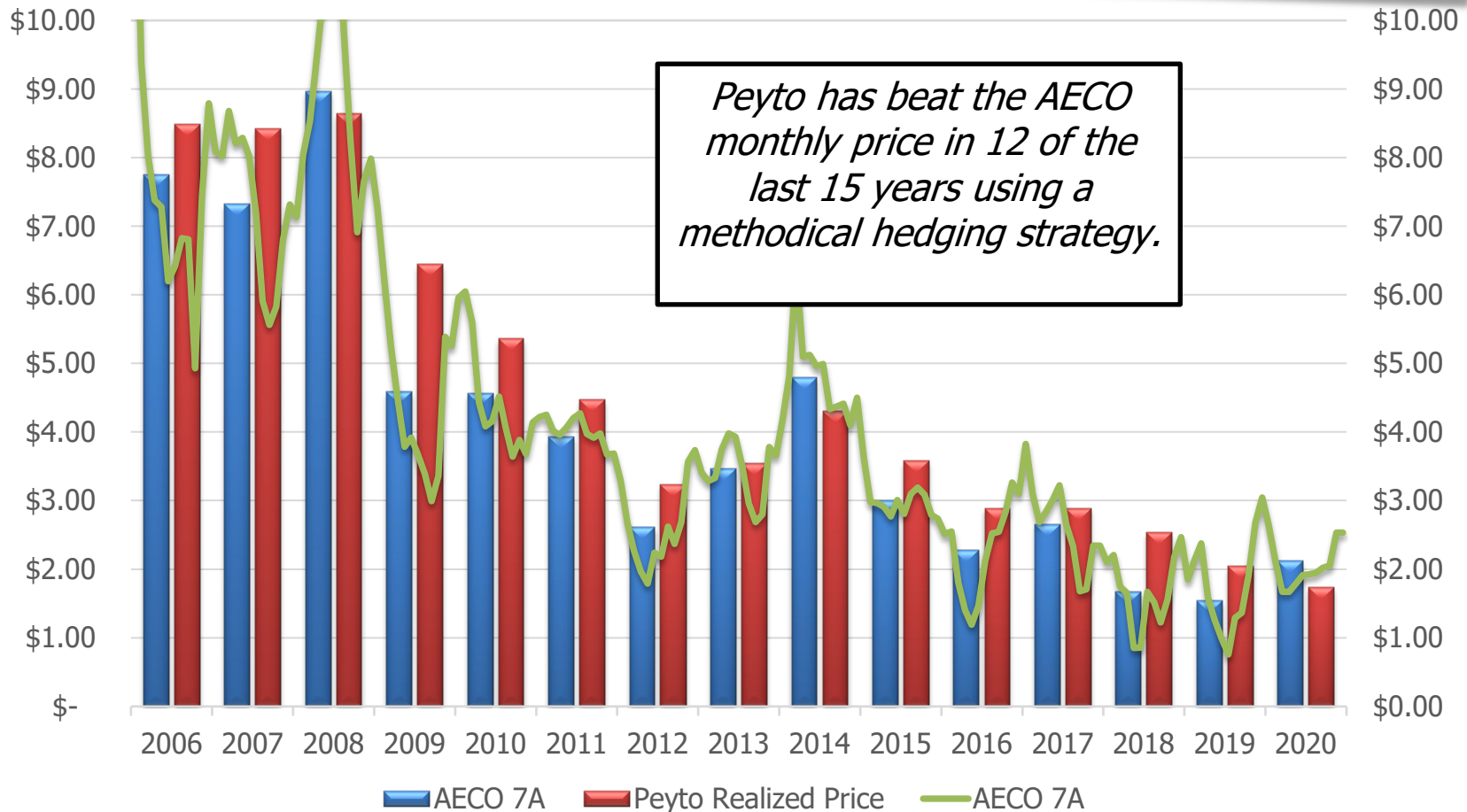
•Assumes an Average Heating Value of 1.15 GJ/mcf for Peyto's gas

Gas Marketing

Successful Hedging Strategy Smooths Volatility

"The "dollar cost averaging" approach to our forward sales is to smooth out the volatility and avoid speculation. We target a progressive stepping-down schedule of coverage over the next 3 years.

Gas Price (\$/mcf)

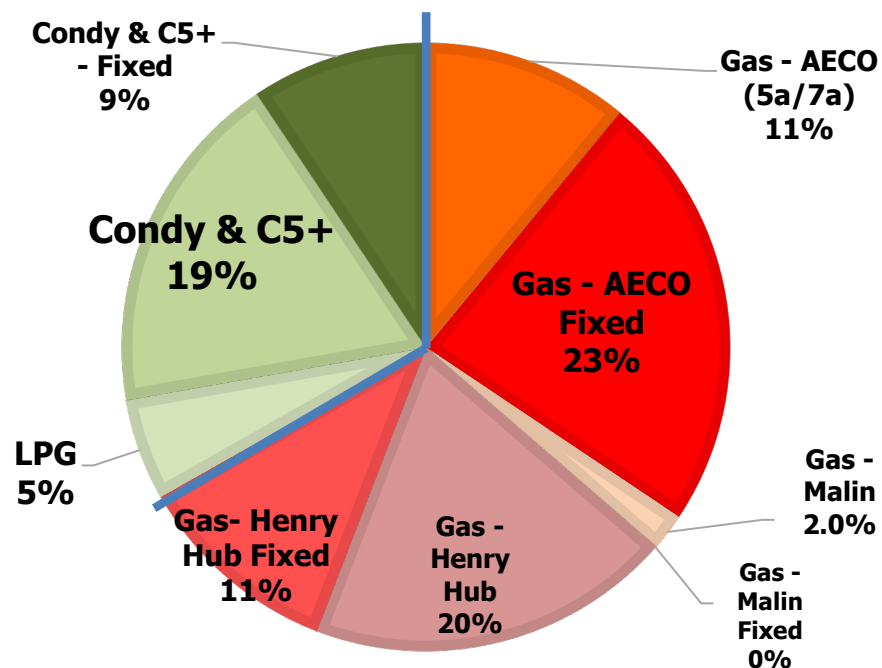


Gas Marketing

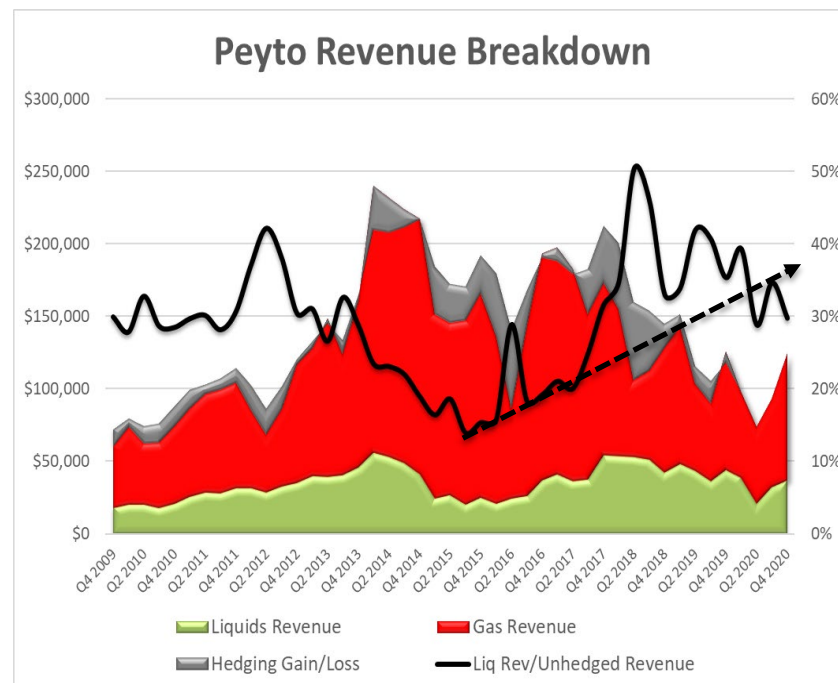
Balanced Revenue Stream

"As we transition to more Cardium production our revenue stream becomes more balanced between gas and liquids. 2018 and 2019 gas revenues were low due to depressed gas prices."

2020 ACTUALS



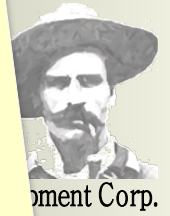
33%
Liquids
Revenue



Gas Marketing

LNG Consortium and Export Potential

"Peyto is part of a 10 company consortium looking at potential LNG export options. We are not big enough to go it alone but combined we are."



Appendix



- ☀ Quarterly Track Record
- ☀ Tax Pools
- ☀ Leverage
- ☀ Reserves Growth

Quarterly Track Record



	2020					2019					2018			
	Total	Q4	Q3	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total	Q4	Q3	Q2
Operations														
<u>Production</u>														
Oil & NGLs (bbl/d)	11,308	11,256	11,263	11,126	11,585	10,922	11,221	10,650	11,110	10,703	9,692	10,273	9,209	9,243
Natural gas (mcf/d)	409,619	433,226	401,680	401,825	401,572	419,281	397,419	396,343	422,320	462,003	493,921	458,792	456,197	493,821
Barrels of oil equivalent (boe/d)	79,578	83,461	78,210	78,097	78,514	80,802	77,458	76,707	81,497	87,704	92,012	86,738	85,242	91,547
Year over Year % Growth	-2%	8%	2%	-4%	-10%	-12%	-11%	-10%	-11%	-16%	-10%	-21%	-16%	-6%
<u>Average Product Prices</u>														
Oil & NGLs (\$/bbl)	31.25	35.82	31.08	21.07	36.73	44.61	43.85	39.65	44.70	50.37	56.98	44.83	61.04	63.64
Natural gas (\$/mcf)	1.74	2.19	1.64	1.44	1.63	2.04	1.96	1.84	1.83	2.48	2.54	2.43	2.43	2.37
Op+Tran expenses (\$/mcf _e)	0.51	0.46	0.48	0.53	0.58	0.52	0.52	0.50	0.53	0.54	0.48	0.52	0.50	0.48
Field Netback (\$/mcf _e)	1.59	2.07	1.53	1.14	1.62	2.17	2.11	1.97	2.06	2.52	2.66	2.39	2.63	2.62
Financial (\$000)														
Revenue (net of royalties)	388,981	124,524	86,716	71,178	92,787	484,302	119,522	104,504	115,289	144,987	632,284	139,309	147,190	154,932
Funds from Operations ¹	212,710	76,013	49,173	33,012	54,513	323,129	75,974	68,106	75,971	103,078	473,741	99,635	109,549	115,571
Net earnings (loss)	(35,555)	65,951	(11,285)	(22,538)	(67,684)	133,494	3,492	6,275	98,757	24,970	129,110	21,458	29,506	30,397
Capital expenditures	235,704	68,250	61,568	37,299	68,587	206,430	73,350	36,574	34,112	62,394	232,363	112,215	69,716	14,978
Net Debt ²	1,176,340	1,176,340	1,183,754	1,172,590	1,166,795	1,146,659	1,146,659	1,133,869	1,156,564	1,188,808	1,224,422	1,224,422	1,167,672	1,178,294
Common shares outstanding (000)	164,938	164,938	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874
Weighted average shares outstanding	164,895	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874	164,874
Per share data (\$/share)														
Funds from operations	1.29	0.46	0.30	0.20	0.33	1.96	0.46	0.41	0.46	0.63	2.87	0.60	0.66	0.70
Earnings (loss)	(0.22)	0.40	(0.07)	(0.14)	(0.41)	0.81	0.02	0.04	0.60	0.15	0.78	0.13	0.18	0.18
Dividends (Distributions)	0.09	0.01	0.01	0.01	0.06	0.24	0.06	0.06	0.06	0.06	0.72	0.18	0.18	0.18

¹ 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.

² Net debt does not include provision for future performance based compensation, site restoration, abandonment and income taxes.

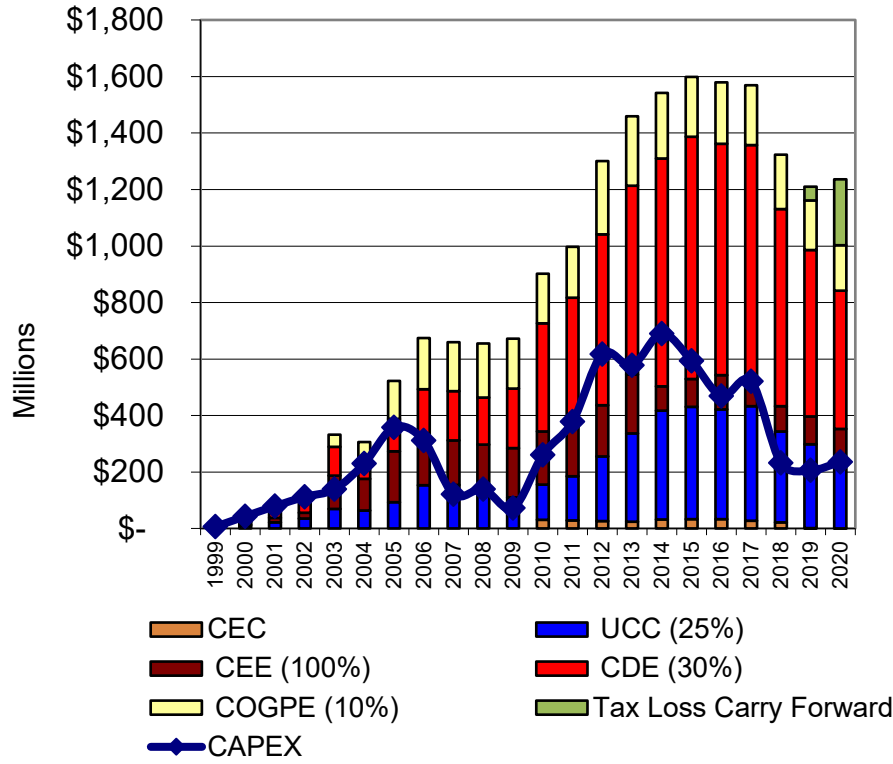
Organic Business Model

Peyto's Tax Pools

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



Development Corp.



\$1.2B

Federal Tax Pools
Q4/20

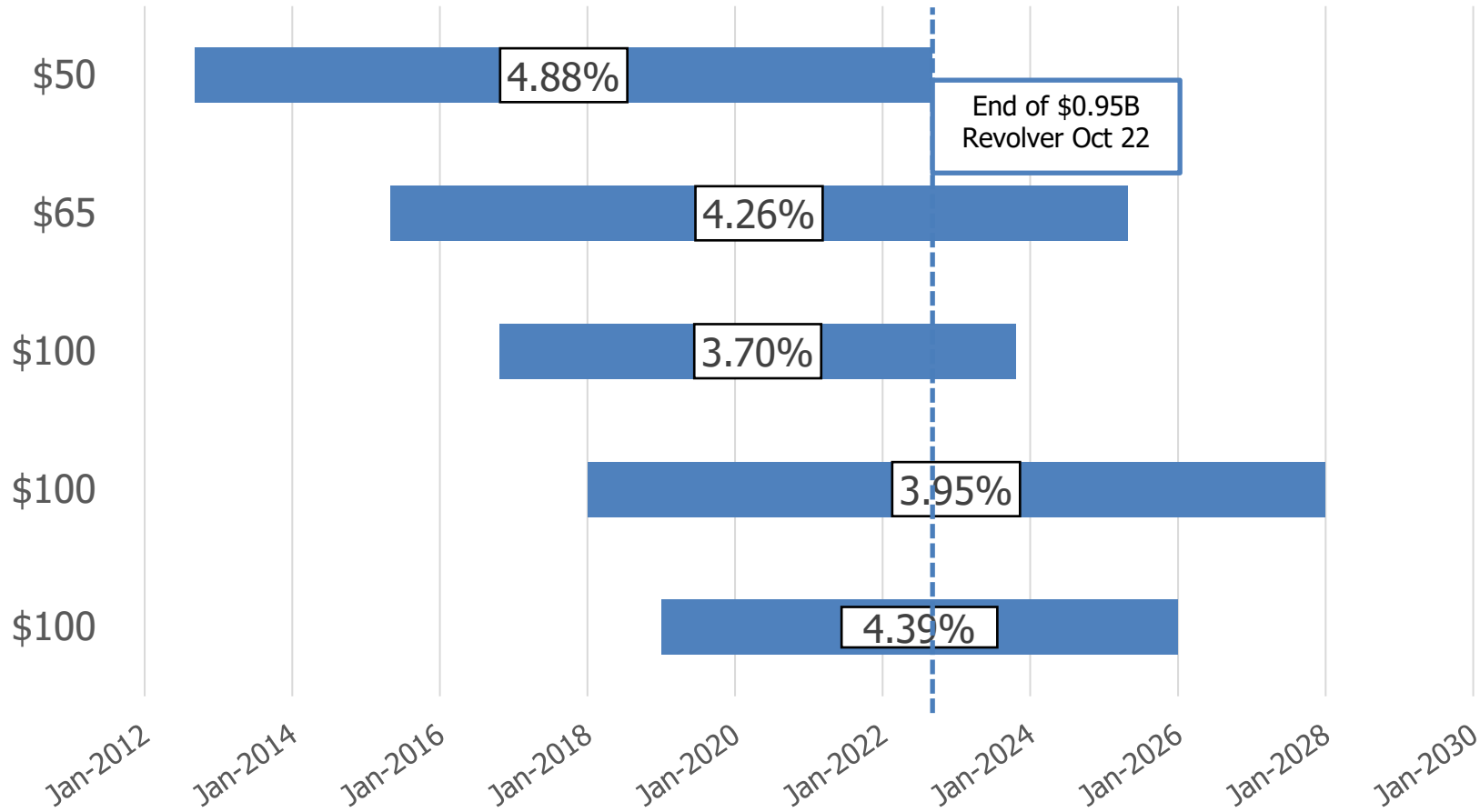
\$6.4B

Peyto CTD. CapEx
Q4/20

Peyto's Debt

Blend of fixed term and revolving debt

"Peyto has always been conservative with leverage, only recently using a bit more because long term debt is cheap." Corp.



PEY.TO

COVID19 Preparedness

"Our operations are prepared for whatever COVID19 throws at us."

Corp.

1. Office Preparations

- All staff set up with remote desktop working capabilities (multiple communication tools: email, text, phone, conference, Webex, etc)
- Small, tight knit office staff with 51 full time employees, 12 consultants
- Flat organizational structure, self motivated, senior staff
- Tested protocols during 2013 Calgary floods

2. Field Preparations

- Already prepared for supply chain disruption with stockpiled materials (methanol, lube oil, glycol, air filters, spark plugs, etc.)
- Part of Energy Mutual Aid Co-operative (EMAC) for last 10 yrs. O&G operators, local & prov. govt agencies, mutual aid during emergency situations, multiple ERPs in place, field "community" works together
- Full remote control and monitoring capability with SCADA, IT and Automation systems
- Operator Working Alone Policy well established and in place for many years