

FOR IMMEDIATE RELEASE SEPTEMBER 13, 2011

TSX SYMBOL: PEY

**PEYTO EXPLORATION & DEVELOPMENT CORP. CONFIRMS DIVIDENDS FOR
OCTOBER 14, 2011 AND ANNOUNCES MANAGEMENT ADDITION**

CALGARY, ALBERTA- Peyto Exploration & Development Corp. ("Peyto") confirms that the monthly dividend with respect to September 2011 of \$0.06 per common share is to be paid on October 14, 2011, for shareholders of record on September 30, 2011. The ex-dividend date is September 28, 2011.

Peyto is also pleased to announce the addition of Jean-Paul Lachance, P. Eng. as Vice-President of Exploitation. Mr. Lachance brings to Peyto over 20 years of industry experience including significant Deep Basin expertise. "We are excited about the ideas and energy JP brings to Peyto, a company with an incredible asset base and a long track record of delivering exceptional returns to shareholders."

In addition, Peyto is pleased to announce that the current Manager of Exploitation, Enrico Espirito, P. Eng. will become Manager of Engineering and Business Development. Rico has been with Peyto since 2006 and will be contributing to Peyto's ongoing growth strategy in this new role.

Shareholders and interested investors are encouraged to visit the Peyto website at www.peyto.com for an updated presentation and to learn more about what makes Peyto one of North America's most exciting energy companies. For further information please contact:

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Certain information set forth in this document, including management's assessment of Peyto's future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond these parties' control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. 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 that Peyto will derive therefrom. The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.