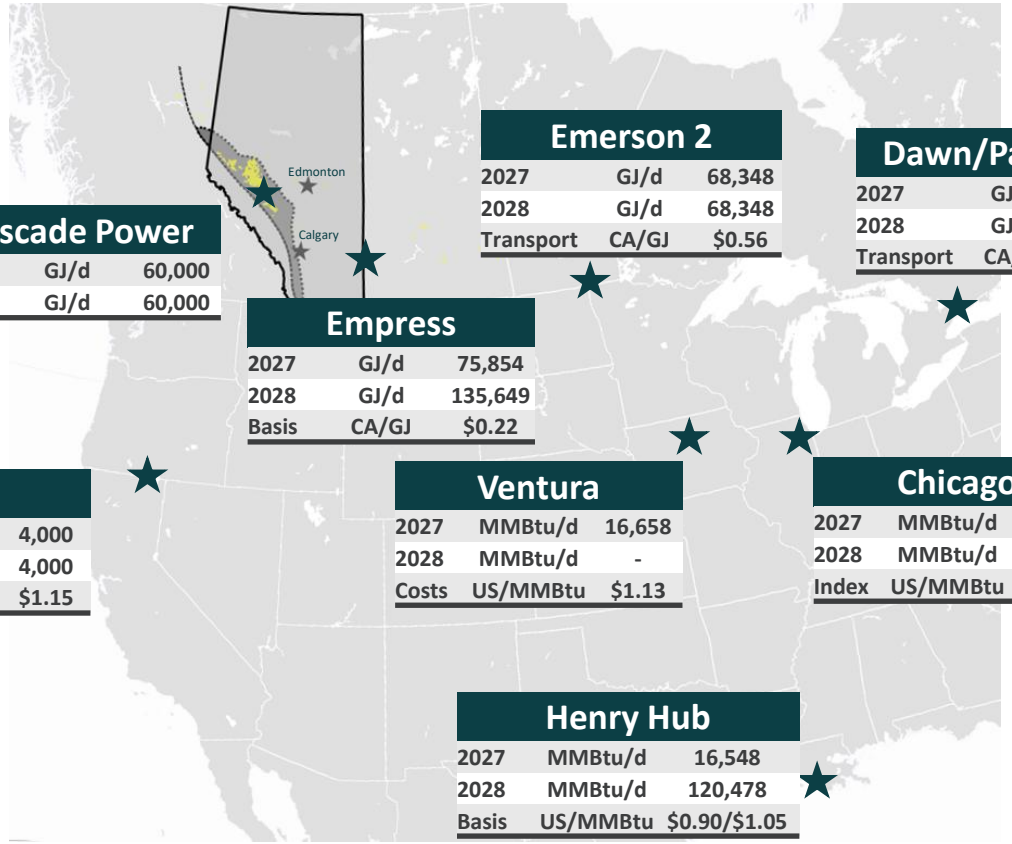
PEYTO'S MARKETING

Gas Hedging and Diversification Strategy Moderates Volatility



Cascade Power		
2027	GJ/d	60,000
2028	GJ/d	60,000

Emerson 2		
2027	GJ/d	68,348
2028	GJ/d	68,348
Transport	CA/GJ	$0.56

Dawn/Parkway		
2027	GJ/d	81,652
2028	GJ/d	95,138
Transport	CA/GJ	$1.15

Empress		
2027	GJ/d	75,854
2028	GJ/d	135,649
Basis	CA/GJ	$0.22

Malin		
2027	MMBtu/d	4,000
2028	MMBtu/d	4,000
Index	US/MMBtu	$1.15

Ventura		
2027	MMBtu/d	16,658
2028	MMBtu/d	-
Costs	US/MMBtu	$1.13

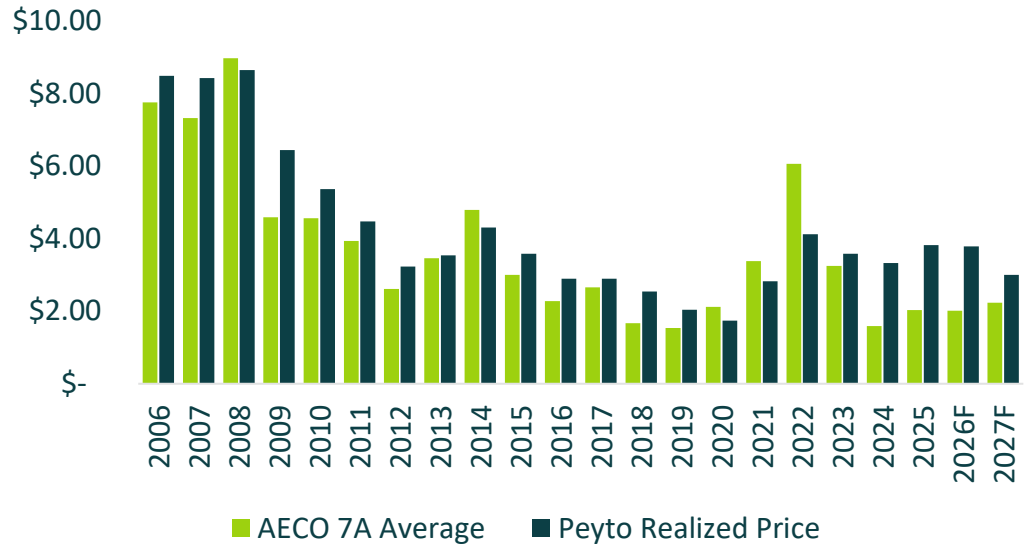
Chicago		
2027	MMBtu/d	64,986
2028	MMBtu/d	33,333
Index	US/MMBtu	$1.02

Henry Hub		
2027	MMBtu/d	16,548
2028	MMBtu/d	120,478
Basis	US/MMBtu	$0.90/$1.05

2027E Natural Gas Marketing

- For 2027, Peyto has fixed 417 MMcf/d of its gas volumes while the remaining volumes "float" at the hubs shown on the map
- Diversification reduces single market risk. Empress exposure minimizes risk to a potential disconnection in the AECO market that can dislocate, especially in summer.

Gas Price[(1)] ($/mcf)



- Peyto has beat the AECO monthly price in 15 of the last 20 years using a methodical hedging and diversification strategy
- Since 2003, through to the end of Q3-2026, we have realized a cumulative gain of **$848MM** from all our hedging activities
- **Hedging and diversification gains are expected through 2026 and 2027 based on current strip pricing[(1)]**

(1) Forecasted prices are based on November 4, 2026, strip price forecast

GAS DIVERSIFICATION | PREMIUM MARKETS

Peyto's gas diversification portfolio reduces the risk of selling into a single market and exposes gas sales to demand markets that can be more influenced by seasonal changes.

Exposure to premium North American demand hubs

- Henry Hub – Major trading hub in the Southern US
- Dawn/Parkway – Eastern Canadian markets
- Ventura and Chicago – Mid-west & Northeastern US markets
- Emerson 2 & Empress – additional flexibility to move gas out of the AECO market and expose to markets above
- Malin – Californian market

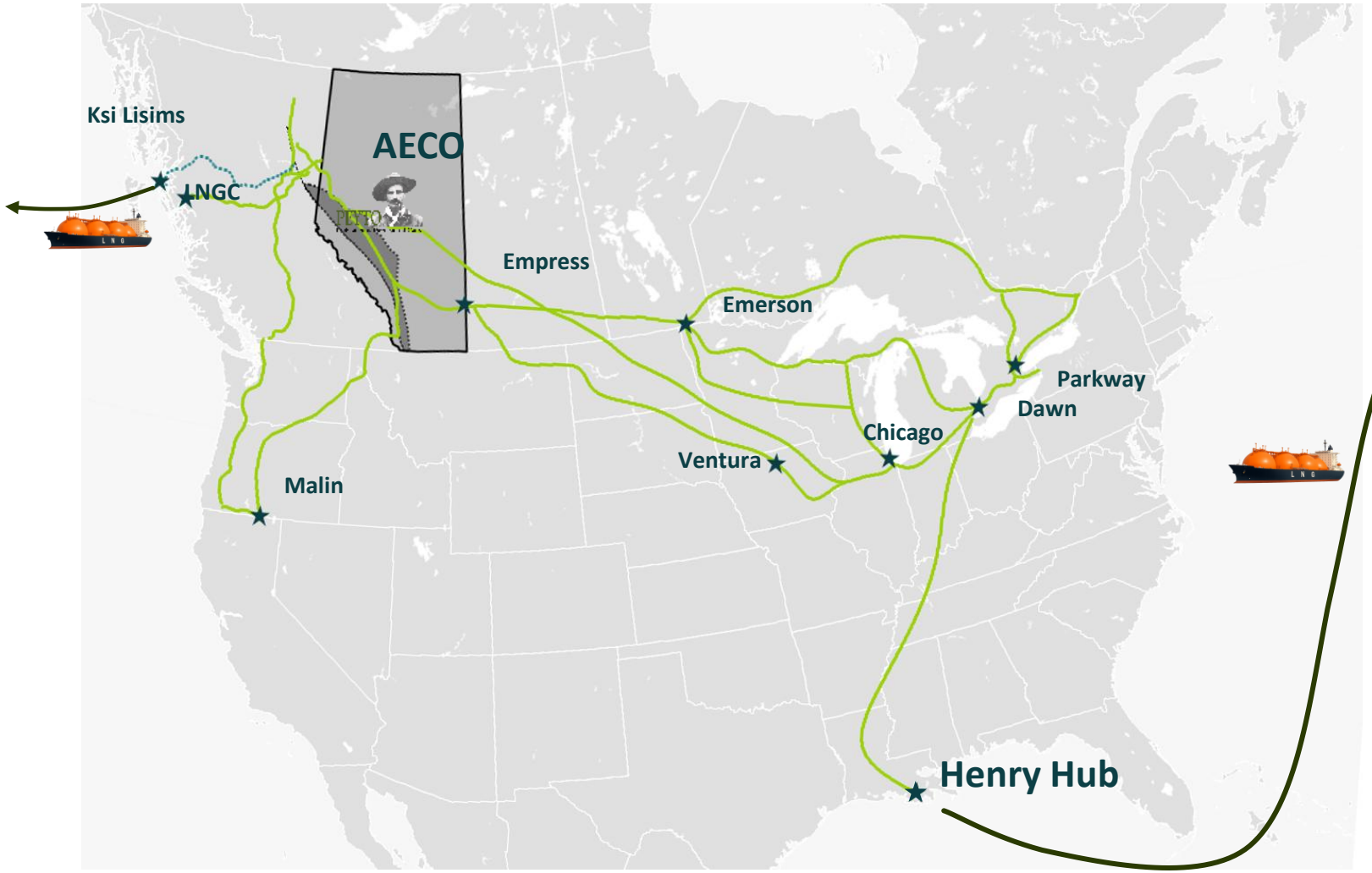
Exposure to the local Power Market in Alberta

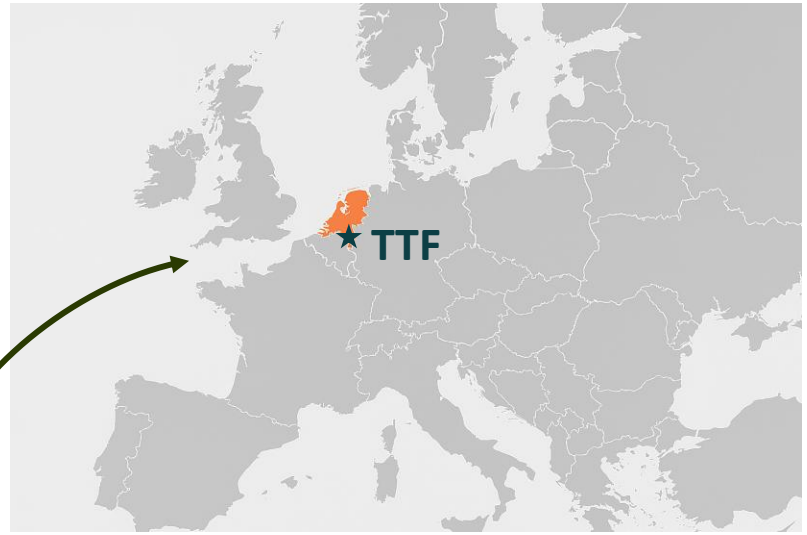
- Direct natural gas supply to Kineticor's Cascade Power Generation Plant southwest of Peyto's Edson Gas Plant
  - Supply agreement came into effect August 31st, 2024
  - 60,000 GJ/d for a 15-year term
  - Peyto receives a gas price correlated to the operator's realized monthly power price which yields a price of approximately $10/GJ at $150/MWh and approximately $3.75/GJ at $60/MWh

Exposure to European natural gas prices through the recently signed supply agreement with Centrica Energy

- 50,000 MMBtu/d for a 10-year term starting in 2029
- Title Transfer Facility "TTF Netback deal" with the gas delivered to NIT "AECO"

GAS DIVERSIFICATION | LNG-LINKED PRICING





On June 2nd, 2026 Peyto announced the signing of a long-term natural gas supply agreement with Centrica Energy

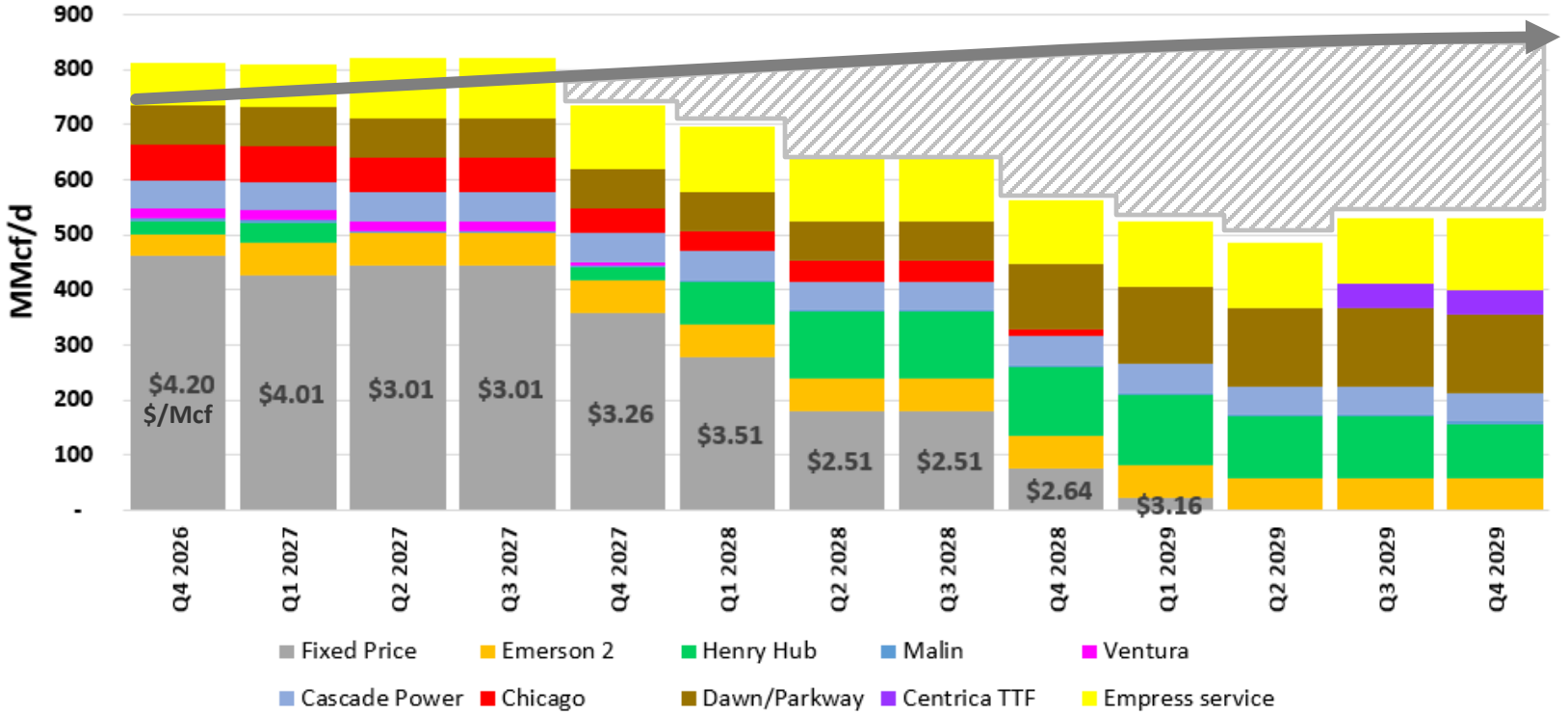
- 10-year term commencing in 2029
- Delivery of 50,000 MMBtu/d to AECO (NIT)
- Netback deal with pricing exposure to the European Title Transfer Facility (TTF) adjusted for transportation costs, liquefaction, shipping, and regasification

GAS MARKETING

Future Market Diversification and Gas Price Protection

Peyto has used financial basis and physical transportation agreements between AECO and other hubs to gain market diversification and exposure to demand regions. This reduces risk of exposure to a single market. **Peyto's non-AECO markets represent 40-50% of future (unhedged) production.**

462 MMcf/d fixed at $4.17/Mcf for Q4 2026
417 MMcf/d fixed at $3.32/Mcf for 2027
Total fixed-price volume represent **3%** of Peyto's proved plus probable gas reserves

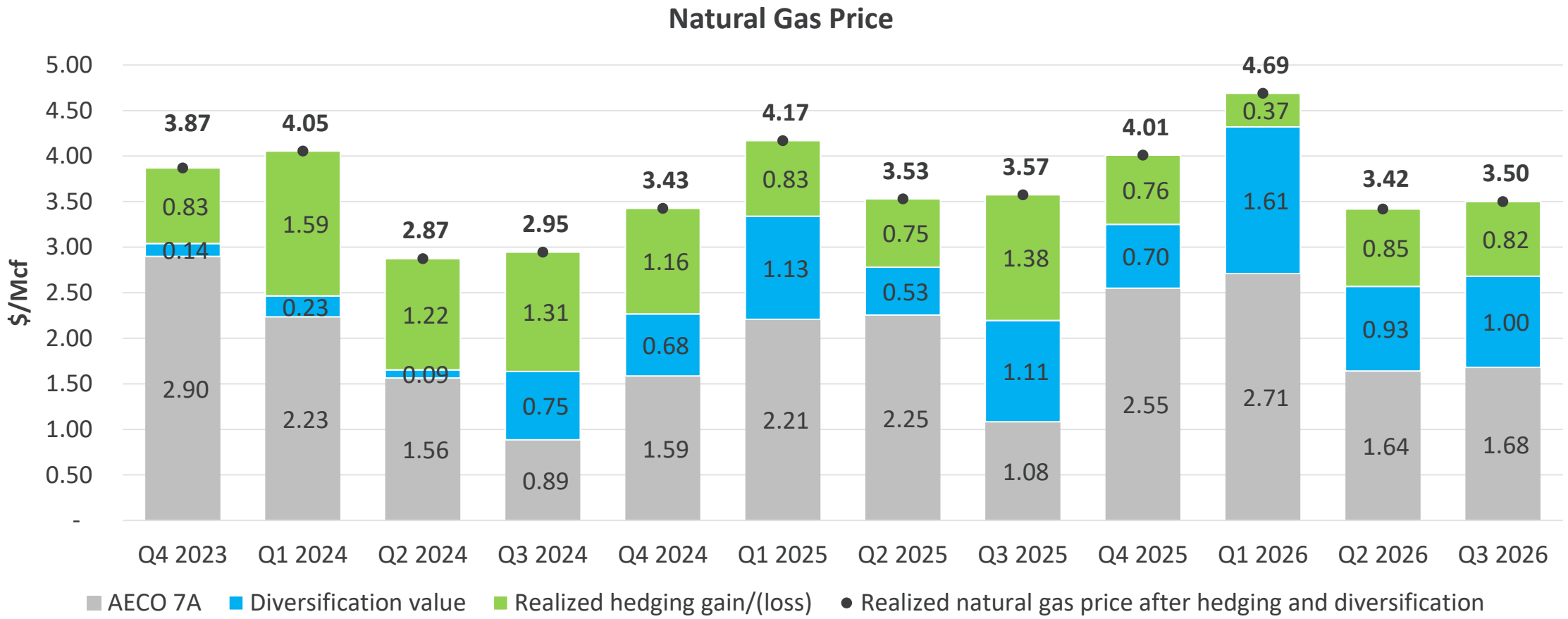


AECO exposure (available to be hedged, diversified to other markets, or left to float)

- *Average fixed price volumes include all fixed price financial and physical contracts, foreign exchange forward contracts, fuel deduction of ~2% and all market diversification costs. USD contracts are converted at 1.40CAD/USD*
- *Empress service allows Peyto to diversify from the AECO market for future basis deals and physical contracts. Peyto incurs transportation costs of ~ $0.22/GJ to get to Empress*
- *Assumes average heating value of approximately 1.15 GJ/mcf for Peyto's gas*
- *The Centrica TTF contract is expected to commence some time in 2029.*

GAS MARKETING| REALIZED PRICES

Peyto embarked upon a diversification strategy ~5 years ago. This has complimented our hedging program to yield superior prices over AECO.



(1) AECO 7A monthly benchmark has been converted to $/Mcf at Peyto's average heat content of 1.15 GJ/Mcf.

(2) Diversification value represents the difference between Peyto's realized natural gas price (before hedging) and the AECO 7A monthly benchmark price net of costs to get to the market.

GAS MARKETING

Fixed Price Gas Contracts

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

	Q4 2026	2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	2027	2028	2029
AECO 7A Fixed Price Swaps (CAD$/GJ)									
Volume GJ/d	237,391	**228,062**	247,500	285,000	285,000	268,424	**271,575**	**184,290**	**6,164**
Price CAD$/GJ	3.37	**3.54**	3.41	2.32	2.32	2.72	**2.66**	**2.46**	**2.82**
AECO 5A Fixed Price Swaps (CAD$/GJ)									
Volume GJ/d	5,054	**8,795**	-	50,000	50,000	16,848	**29,315**	-	-
Price CAD$/GJ	2.73	**2.73**	-	2.70	2.70	2.70	**2.70**	-	-
NYMEX (AECO & Empress Basis) Fixed Price (US$/MMBtu)									
Volume MMBtu/d	251,902	**279,205**	230,000	165,000	165,000	118,587	**169,329**	**19,522**	-
Price US$/MMBtu	3.10	**2.98**	2.82	2.49	2.49	2.52	**2.60**	**2.82**	-
Price CAD$/GJ	4.12	**3.95**	3.74	3.30	3.30	3.34	**3.45**	**3.74**	-
EMERSON 2 Fixed Price (US$/MMBtu)									
Volume MMBtu/d	21,576	**37,542**	-	-	-	-	-	-	-
Price US$/MMBtu	2.57	**2.57**	-	-	-	-	-	-	-
Fixed AECO Netback US$/MMBtu	2.14	**2.14**	-	-	-	-	-	-	-
Fixed AECO Netback CAD$/GJ	2.85	**2.85**	-	-	-	-	-	-	-

Prices do not include deductions for Fuel (~2%).
USD contracts converted at 1.40 CAD/USD

GAS MARKETING

Floating Price Gas Contracts

Peyto has exposure to natural gas price upside with its diversification to premium markets in the US mid-west, Ontario, California, and its Cascade Power contract.

	Q4 2026	2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	2027	2028	2029
Henry Hub (AECO/Empress/Emerson 2 Basis) MMBtu/d									
Volume MMBtu/d	26,522	**6,685**	40,000	-	-	26,522	**16,548**	**120,478**	**121,589**
Basis cost US$/MMBtu	(1.05)	**(1.05)**	(0.90)	-	-	(0.90)	**(0.90)**	**(1.05)**	**(1.05)**
Malin									
Volume MMBtu/d	4,000	**4,000**	4,000	4,000	4,000	4,000	**4,000**	**4,000**	**4,000**
Index cost US$/MMBtu	(1.15)	**(1.15)**	(1.15)	(1.15)	(1.15)	(1.15)	**(1.15)**	**(1.15)**	**(1.15)**
Chicago									
Volume MMBtu/d	70,000	**70,000**	70,000	70,000	70,000	50,109	**64,986**	**33,333**	-
Index cost US$/MMBtu	(1.02)	**(1.02)**	(1.03)	(1.01)	(1.01)	(1.01)	**(1.02)**	**(1.01)**	-
Ventura									
Volume MMBtu/d	20,000	**20,000**	20,000	20,000	20,000	6,739	**16,658**	-	-
Transport, marketing, fuel US$/MMBtu	(1.13)	**(1.13)**	(1.13)	(1.13)	(1.13)	(1.13)	**(1.13)**	-	-
Emerson 2									
Volume GJ/d	45,318	**28,275**	68,348	68,348	68,348	68,348	**68,348**	**68,348**	**68,348**
Transport costs $/GJ	(0.56)	**(0.56)**	(0.56)	(0.56)	(0.56)	(0.56)	**(0.56)**	**(0.56)**	**(0.56)**
Dawn/Parkway									
Volume GJ/d	81,652	**81,652**	81,652	81,652	81,652	81,652	**81,652**	**95,138**	**162,565**
Transport costs $/GJ	(1.15)	**(1.15)**	(1.15)	(1.15)	(1.15)	(1.15)	**(1.15)**	**(1.15)**	**(1.15)**
Cascade Power									
Volume GJ/d	60,000	**54,310**	60,000	60,000	60,000	60,000	**60,000**	**60,000**	**60,000**
Centrica TTF									
Volume MMBtu/d	-	-	-	-	-	-	-	-	**50,000**

- *Henry Hub, Malin, Dawn and Chicago volumes are sold using physical basis deals from AECO and Empress and are priced on the respective indices less the hub basis shown above and fuel of ~ 2%*
- *Ventura volumes are priced on the Ventura index less transportation, marketing and fuel for total deductions of ~ $US1.13/MMBtu*
- *Emerson 2 volumes are priced on the Emerson 2 index less transport and fuel of ~4%.*
- *Dawn/Parkway volumes are priced on the Union Dawn/Parkway indices, less transport and fuel of ~6%.*
- *Peyto's realized price under the Cascade gas supply agreement is indexed to Cascade Power's realized power price.*
- *Natural gas for the Centrica Energy TTF contract is delivered to NIT (AECO) and priced against the Dutch TTF benchmark, less deductions. Contract expected to commence sometime in 2029.*

NGL MARKETING

Fixed Price Contracts

Peyto uses swaps and costless collars to secure liquids revenue as well.

	Q4 2026	2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	2027	2028
WTI SWAPS								
Volume USD bbls/d	-	-	-	-	-	-	-	-
Price US$	-	-	-	-	-	-	-	-
Volume CAD bbls/d	6,900	**5,981**	5,100	3,500	2,500	2,500	**3,390**	**782**
Price CAD$	98.37	**92.71**	100.89	96.32	93.33	93.33	**96.90**	**99.02**
TOTAL bbls/d	6,900	**5,981**	5,100	3,500	2,500	2,500	**3,390**	**782**
WTI COLLARS								
Volume CAD bbls/d	700	**601**	1,000	500	500	500	**623**	**249**
Put CAD$	79.29	**83.39**	87.50	75.00	75.00	75.00	**79.95**	**85.00**
Call CAD$	98.54	**99.39**	116.05	87.25	87.25	87.25	**98.64**	**101.00**
WTI CALL OPTIONS								
Volume CAD bbls/d	-	-	1,500	1,500	1,500	1,500	**1,500**	-
Call CAD$	-	-	100.00	100.00	100.00	100.00	**100.00**	-
CONWAY SWAPS								
Volume USD bbls/d	1,000	**877**	1,000	-	-	-	**247**	-
Price US$	34.23	**34.14**	34.23	-	-	-	**34.23**	-
Price CAD$	47.92	**47.80**	47.92	-	-	-	**47.92**	-

USD contracts converted at 1.40 CAD/USD