

FOR IMMEDIATE RELEASE JULY 15, 2013

TSX SYMBOL: PEY

**PEYTO CONFIRMS DIVIDENDS FOR THIRD QUARTER 2013 AND ANNOUNCES
RETIREMENT OF DIRECTOR**

CALGARY, ALBERTA- Peyto Exploration & Development Corp. ("Peyto") declares the following dividends, payable to shareholders of its common shares at the close of business on the record dates indicated.

Dividend Amount per Common Share	Record Date	Ex-Dividend Date	Payment Date
\$0.08	July 31, 2013	July 29, 2013	August 15, 2013
\$0.08	August 31, 2013	August 28, 2013	September 13, 2013 (*)
\$0.08	September 30, 2013	September 26, 2013	October 15, 2013 (*)

(*) Dividends are at the discretion of the Board of Directors and subject to change.

Dividends paid by Peyto to Canadian residents are eligible dividends for Canadian income tax purposes.

Mr. Rick "Buck" Braund, co-founder and director of Peyto, has announced his retirement from the board of Peyto to pursue other opportunities. Chairman and fellow co-founder Don Gray commented,

"When Buck and I founded Peyto 15 years ago, neither one of us could have imagined what an incredible journey it would be. We have both been very fortunate to work with great people while at Peyto. On behalf all shareholders, employees, and directors of Peyto, I would like to thank Buck for all his contributions to Peyto's success. All of us at Peyto wish Buck nothing but the best in his future endeavors."

Peyto's plans for 2013 are ongoing, including the largest organic capital program in the company's 15 year history. Shareholders and interested investors are encouraged to visit the Peyto website at www.peyto.com to learn more about what makes Peyto one of North America's most exciting energy companies. For 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.