

NEWS RELEASE JUNE 2, 2026

TSX SYMBOL: PEY

PEYTO EXPLORATION & DEVELOPMENT CORP. AND CENTRICA ENERGY ENTER 10-YEAR NATURAL GAS SUPPLY AGREEMENT

CALGARY, ALBERTA- Peyto Exploration & Development Corp. (TSX: PEY) ("Peyto" or the "Company") is pleased to announce the signing of a long-term natural gas supply agreement with Centrica Energy. Under the agreement, Peyto will deliver 50,000 MMBtu of natural gas per day to Centrica Energy over a 10-year period commencing in 2029.

Deliveries will be made at the NIT "AECO" hub operated by TC Energy in Alberta. The gas will be priced against the Title Transfer Facility ("TTF"), the benchmark for European gas markets. This agreement supports Peyto's strategy of diversifying its natural gas sales to premium demand markets and provides the Company with LNG price exposure through a partnership with Centrica Energy, a global leader in energy trading.

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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.