

FOR IMMEDIATE RELEASE JANUARY 5, 2026

TSX SYMBOL: PEY

**PEYTO EXPLORATION & DEVELOPMENT CORP. ANNOUNCES REFINANCING OF
SENIOR NOTES**

CALGARY, ALBERTA- Peyto Exploration & Development Corp. (TSX: PEY) ("Peyto" or the "Company") is pleased to announce that it issued \$100 million of senior secured notes on January 5, 2026. The notes have a coupon rate of 5.03% and mature on January 5, 2033. The notes were issued by way of a private placement pursuant to a private shelf agreement and rank equally with Peyto's obligations under its credit facilities and existing note purchase and private shelf agreements. Interest will be paid semi-annually in arrears. Proceeds from the notes have been used to repay Peyto's \$100 million notes that matured on January 3, 2026.

The senior notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

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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.