PEYTO EXPLORATION & DEVELOPMENT CORP.

Notice of
Annual and Special Meeting of Shareholders
to be held on May 7, 2020

The annual and special meeting of the shareholders of Peyto Exploration & Development Corp. (the "**Corporation**") will be held at the offices of the Corporation, located at 300, 600 – 3rd Avenue S.W., Calgary, Alberta T2G 0G5, on Thursday, May 7, 2020 at 3:00 p.m. (Calgary time) to:

1. receive and consider the Corporation's financial statements for the year ended December 31, 2019, together with the auditors' report thereon;

2. fix the number of directors of the Corporation to be elected at the meeting at seven (7);

3. elect seven (7) directors of the Corporation;

4. appoint the auditors and authorize the directors to fix their remuneration as such;

5. consider and, if thought appropriate, to approve a non-binding advisory resolution to accept the Corporation's approach to executive compensation;

6. consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution, the full text of which is set forth in the accompanying Circular, ratifying and approving the directors' deferred share unit plan, as more particularly described under "*Matters to be Acted Upon at the Meeting – Approval of the DSU Plan*" in the accompanying information circular – proxy statement of the Corporation dated March 25, 2020 (the "**Circular**"); and

7. transact such other business as may properly be brought before the meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the meeting are set forth in the accompanying Circular.

The Corporation currently intends to hold the meeting in person. However, in light of the current and rapidly evolving COVID-19 pandemic, the Corporation asks that, in considering whether to attend the meeting in person, shareholders consider the advice and instructions of the Public Health Agency of Canada (PHAC) (www.canada.ca/en/public-health.html) and Alberta Health Services (www.albertahealthservices.ca). Access to the meeting will, subject to the Corporation's by-laws, be either entirely restricted or limited to essential personnel and registered shareholders and duly appointed proxyholders entitled to attend and vote at the meeting. Depending upon the status of the pandemic at the time, the Corporation encourages registered shareholders and duly appointed proxyholders not to attend the meeting in person, particularly if they are experiencing any of the described COVID-19 symptoms. As always, the Corporation encourages shareholders to vote their common shares prior to the meeting following the instructions set out in the form of proxy or voting instruction form received by such shareholders.

The Corporation may take additional precautionary measures in relation to the meeting in response to further developments with the COVID-19 pandemic. In the event it is not possible or advisable to hold the meeting in person, the Corporation will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting entirely by electronic means, telephone or other communication facilities. Please monitor our website at www.peyto.com for updated information.

Following the meeting, the Corporation is planning to provide a brief presentation by management, the particulars of which will be set forth in a press release of the Corporation and outlined on the Corporation's website prior to the meeting.

The Corporation requests that you date and sign the enclosed form of proxy and mail it to or deposit it with Computershare, (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1. Alternatively, a shareholder may vote by telephone at 1-866-732-

VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America) or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received no later than 3:00 p.m. (Calgary time) on May 5, 2020 or, if the meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) before the beginning of any adjournment of the meeting.

Only shareholders of record at the close of business on March 18, 2020 will be entitled to vote at the meeting, unless a shareholder has transferred any common shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the common shares and demands that the transferee's name be included on the list of shareholders.

DATED at Calgary, Alberta this 25th day of March, 2020.

By order of the Board of Directors of
Peyto Exploration & Development Corp.

(signed) "*Darren Gee*"
President and Chief Executive Officer