



NEWS RELEASE

PERPETUAL ENERGY INC. CLOSES PREVIOUSLY ANNOUNCED ASSET DISPOSITION

Calgary, Alberta – November 22, 2023 (TSX:PMT) – Perpetual Energy Inc. ("Perpetual", or the "Company") is pleased to announce that it has closed its previously announced asset disposition of certain assets at Mannville in Eastern Alberta to Canadian private operator Pointbreak Resources for gross proceeds of \$35.8 million in cash, prior to customary purchase price adjustments (the "Mannville Transaction") with a September 1, 2023 effective date. The properties included in the Mannville Transaction comprise substantially all of the Company's production in Eastern Alberta which averaged 1,431 boe/d (66% conventional heavy oil) during the third quarter of 2023.

Proceeds from the Mannville Transaction will be used to reduce bank debt and manage future maturities on the Company's Term Loan and Senior Notes and other obligations as they come due, as well as provide Perpetual with the liquidity to invest in its remaining assets at East Edson and pursue other new venture opportunities.

ABOUT PERPETUAL

Perpetual is an oil and natural gas exploration, production and marketing company headquartered in Calgary, Alberta. Perpetual owns a diversified asset portfolio, including liquids-rich conventional natural gas assets in the deep basin of West Central Alberta, and undeveloped bitumen leases in Northern Alberta. Additional information on Perpetual can be accessed at SEDAR+ at www.sedarplus.com or from the Company's website at www.perpetualenergyinc.com.

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

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ADVISORIES

VOLUME CONVERSIONS

Barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. In accordance with NI 51-101, a conversion ratio for conventional natural gas of 6 Mcf:1 bbl has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, utilizing a conversion on a 6 Mcf:1 bbl basis may be misleading as an indicator of value as the value ratio between conventional natural gas and heavy crude oil, based on the current prices of natural gas and crude oil, differ significantly from the energy equivalency of 6 Mcf:1 bbl. A conversion ratio of 1 bbl of heavy crude oil to 1 bbl of NGL has also been used throughout this news release.

ABBREVIATIONS

The following abbreviations used in this news release have the meanings set forth below:

boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day