EXECUTING ON PRODUCTION GROWTH FROM A LEANER, LOWER COST PLATFORM

SCOTIABANK CAPP ENERGY SYMPOSIUM
APRIL 11, 2018

PENGROWTH

CORPORATE OVERVIEW

Capitalization

Market Capitalization	$491 million
Debt	$610 million
Enterprise Value	$1,102 million

Operations and Financial

YTD 2018 (end of February)	19,035 boe/d
Liquids Weighting	72%
2017 2P Reserves	446 million boe
2017 2P NPV10	$2,170 million

TSX: PGF NYSE: PGH

Who are we

- Resource play developer with asset portfolio consisting of Lindbergh thermal oil and Groundbirch Montney dry gas properties
- Development efforts centered on thermal oil

Why thermal oil

- Low declines and low sustaining capital
- Low natural gas price
- US refineries configured for heavy oil
- No competition from US production
- Mexican and Venezuelan import volumes falling
- Increasing need for Canadian heavy oil

RESTRUCTURED AND FOCUSED COMPANY

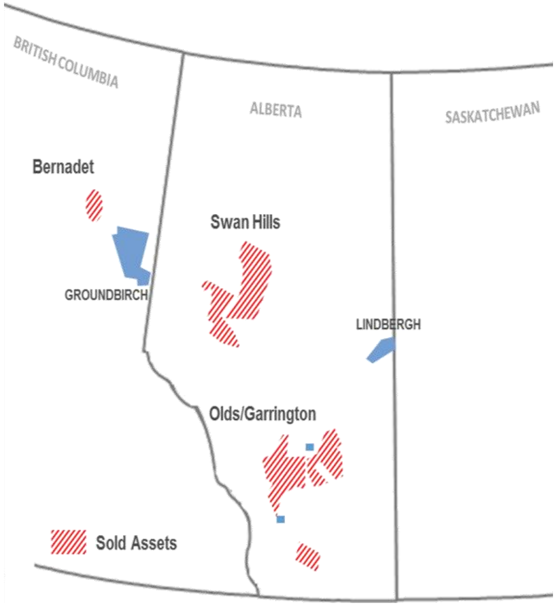
- Asset dispositions in 2017 have significantly streamlined our business, reduced long-term liabilities and created the opportunity for an efficient business model going forward
- In 2017 we:

Reduced total gross well count by 81 percent dropping from approximately 9,600 to approximately 1,800 wellbores

Reduced total gross facility count by 81 percent dropping from approximately 763 to approximately 148 facilities

Reduced gross operated pipeline kilometers by 84 percent from approximately 7,000 kilometers to approximately 1,140 kilometers

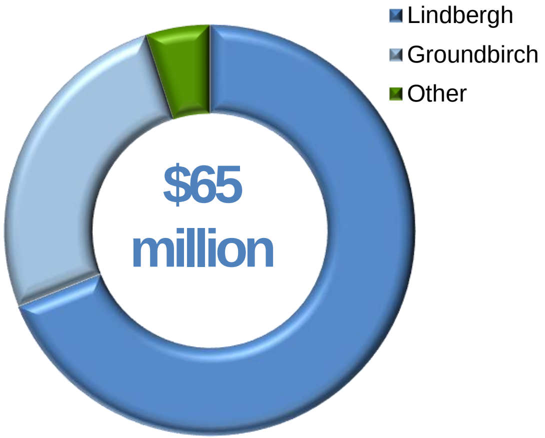
In the process of reducing full-time equivalent employee count by 75 percent from approximately 560 in 2016 to approximately 125 by end of 2018



2018 CORPORATE GUIDANCE

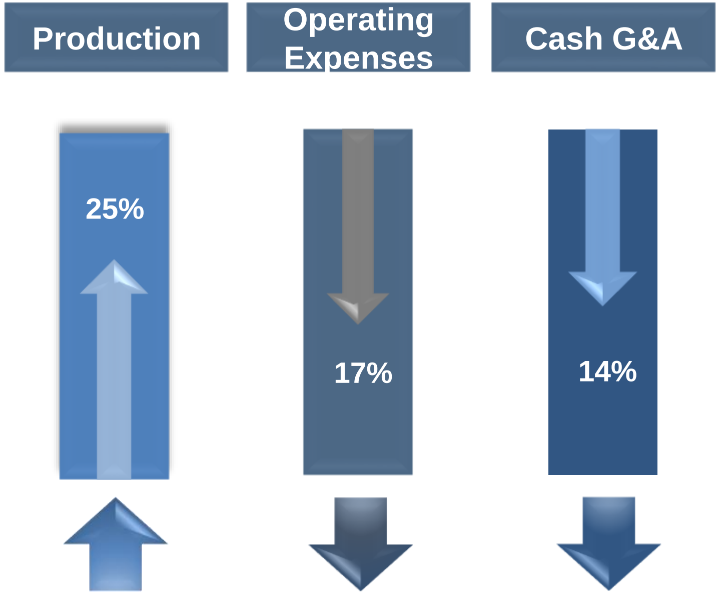
	Corporate Guidance
2018 Average daily production (boe/d)	22,500 to 23,500
Total capital expenditures ($ million)	$65
Royalties (%)	6.0%
Operating costs ($/boe)	$10.50 to $11.50
Cash G&A ($/boe)	$3.10 to $3.35

CAPITAL ALLOCATION BY AREA



70 percent of 2018 capital spending is focused on Lindbergh

2018 BUDGET



- Expecting year over year double-digit production growth in 2018 with exit guidance of 24,000 boe/d
- Reduced cost structures compared to 2017:
  - Operating expenses lower by 18 percent from 2017 expense of $13.45/boe
  - G&A expenses lower by 16 percent from 2017 expense of $3.84/boe
  - Expect to see lower G&A costs in H2/18 to $2.46/boe, representing a decline of 36 percent from 2017

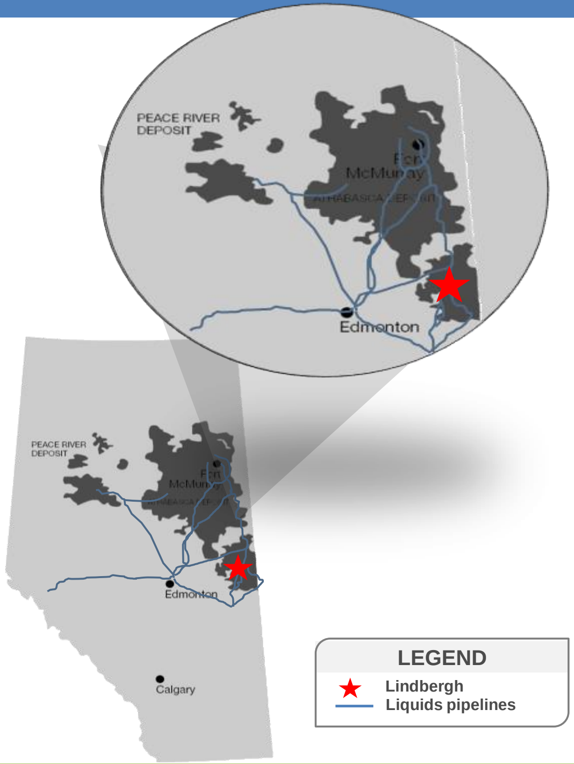
ASSET PORTFOLIO

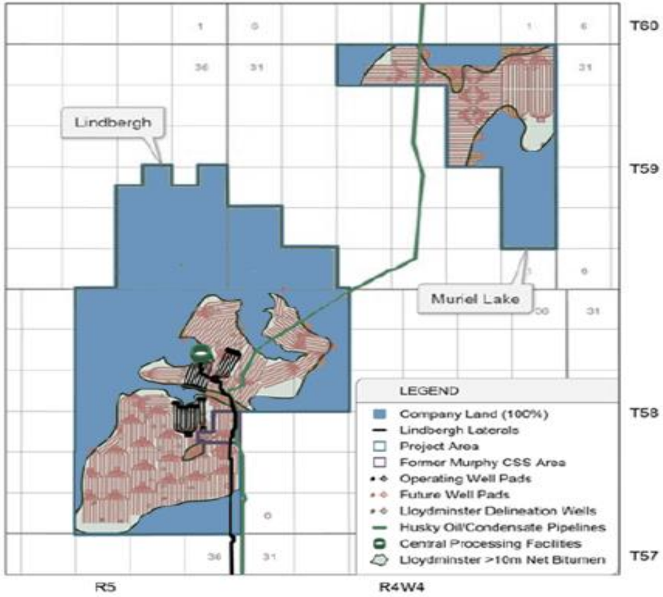
LINDBERGH THERMAL OIL

Exceptional Operated Thermal Oil Project

Strong Economics

Large Resource with Low Risk Growth Potential





Lindbergh is one of the most economic, ultra long-life thermal oil projects with sizable, organic low risk growth

LINDBERGH THERMAL OIL

Demonstrated excellence as SAGD developer and operator

- Performance exceeding expectations with new 2017 well pairs just coming on production
- Nameplate capacity of 12,500 bbl/d with a design ISOR of 3.6x
- 2018 production expected to reach ~ 18,000 bbl/d

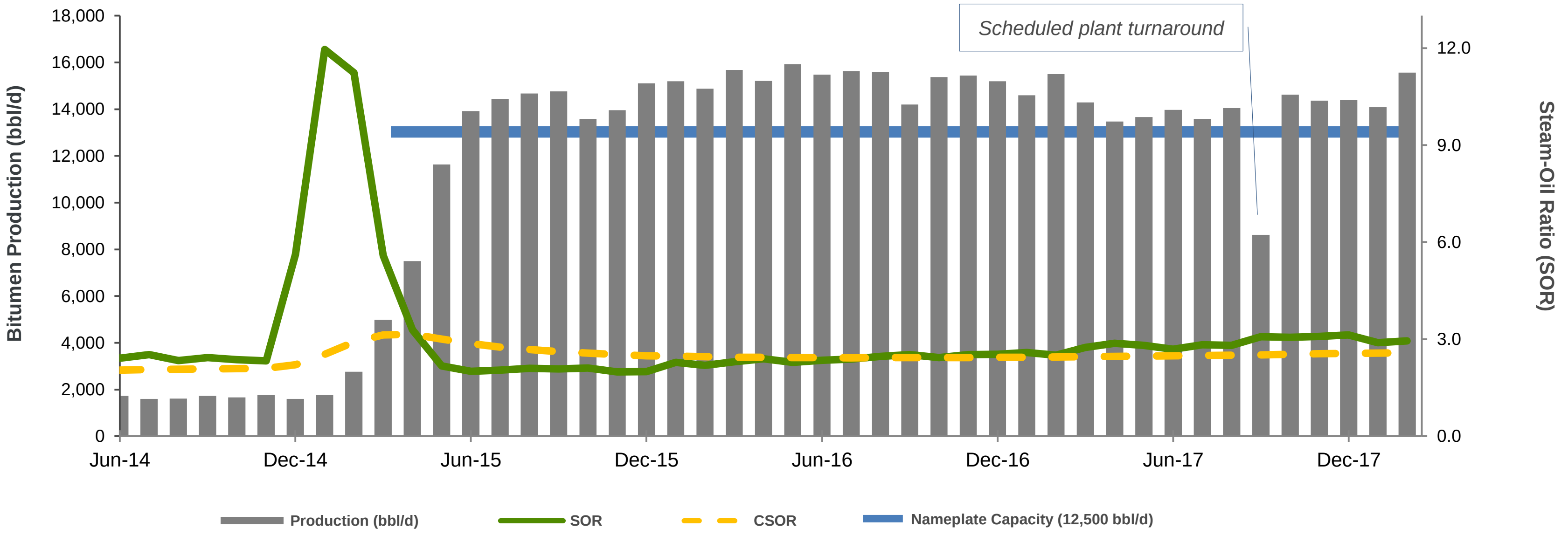
Well situated in the advantaged Cold Lake oil sands region

- Cold Lake advantages include superior bitumen quality and proximity to markets
- Significant economic and strategic benefits from flexible transportation agreement

Strong base production with large growth potential

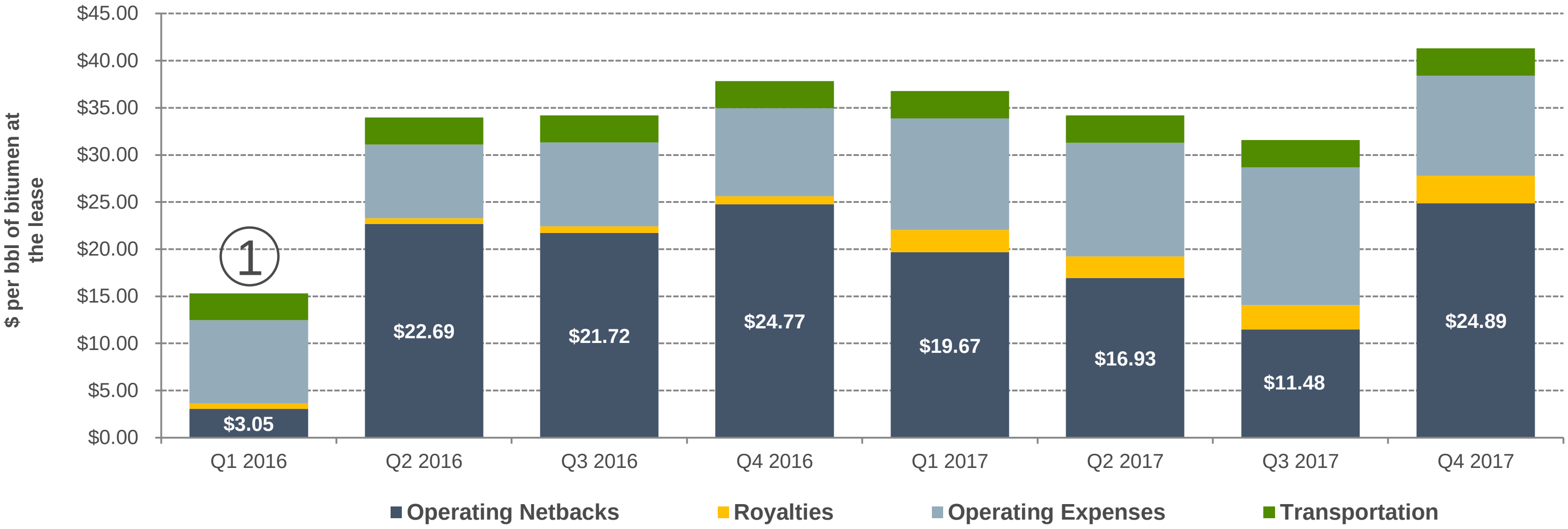
- ~317 MMbbl of 2P reserves
- Regulatory approvals in place to increase production to 40,000 bbl/d
- Productive capacity of 40,000 to 50,000 bbl/d with full development

PRODUCTION CONTINUES TO EXCEED NAMEPLATE CAPACITY



- Production performance exceeds 12,500 bbl/d nameplate capacity of facility
- Current production in excess of 16,000 bbl/d
- 2018 capital program volumes do not require incremental capital to be spent on the central processing facility

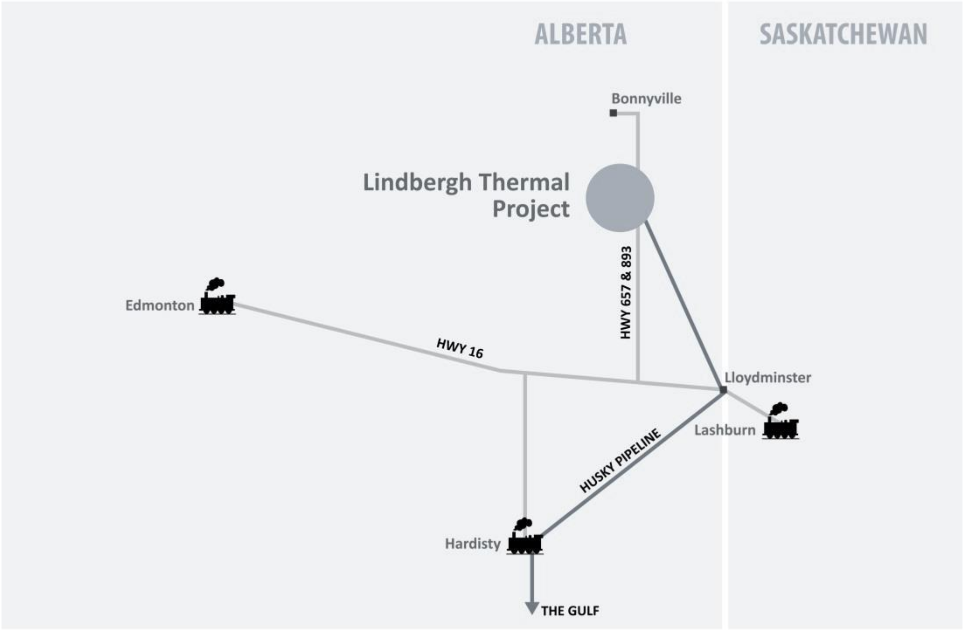
GENERATING STRONG OPERATING NETBACKS



1. Q1, 2016 WTI crude oil price of $33/bbl, Lindbergh operation was able to generate positive cash flow netback

WCS price and apportionment protection of US $16.82/bbl through 2018 provides ability to participate in WTI crude oil price increases

LINDBERGH TRANSPORTATION OPTIONALITY



Transportation flexibility

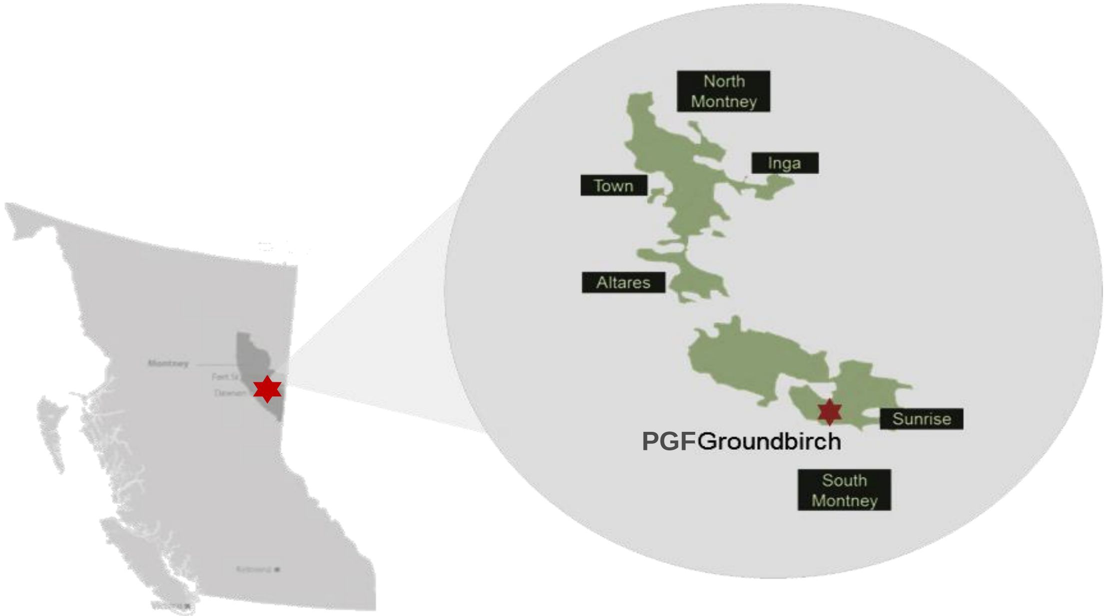
- Moving product to market: Several pipeline and transload stations are located in close proximity to central processing facility. Pengrowth has flexibility to move bitumen on both modes of transport

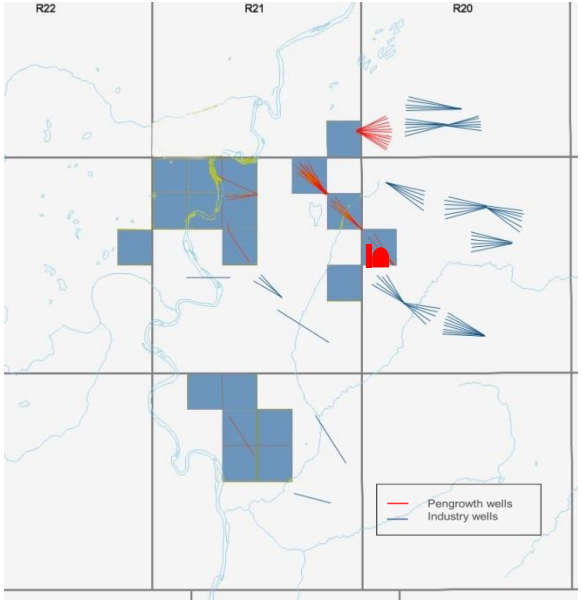
Stabilizing differentials

- Pengrowth has fixed WCS differentials and pipeline apportionment protection for 2018/2019 through physical sales agreements

Fixed WCS Price Differential	Price (US$/bbl)	Volume (bbl/d)
2018	$16.82	17,000
2019	$17.78	7,500

GROUNDBIRCH MONTNEY OVERVIEW





Within the Montney fairway, Pengrowth has 19 sections (100 percent working interest)

Pengrowth's Groundbirch lands have 360 net (unrisked) drilling locations

Pengrowth operates a 30 million cubic feet per day facility

GROUNDBIRCH 2018 DEVELOPMENT

9
MMcf/d

Current

Timeframe :
-

Deliverables :
28 MMcf/d facility with production at approximately 9 MMcf/d

30
MMcf/d

$18 MM

Timeframe :
April 2018

Deliverables :
Drill four new wells, facility upgrades and new infrastructure for additional takeaway capacity

Current development plan

- Four well development program with the addition of sales compression and pipeline tie-in to Nova-Saturn meter station.
- Three of the four wells drilled in 2017 have been completed and producing .

Multi-phase development potential

- Multi-phase development could increase productive capacity up to 60 MMcf/d.

Build transportation capacity

- Moved delivery point from Spectra System to Nova System to provide 30 MMcf/d of service capacity starting April 1, 2018.
- Expect to utilize approximately 87 percent of natural gas production volumes from Groundbirch at Lindbergh operations.

WHY YOU SHOULD INVEST IN PENGROWTH

Leaner, stronger company with significant upside exposure to a recovering crude oil price

Focused portfolio expected to deliver double-digit production growth in 2018 and significantly lower cost structures versus 2017

High quality asset portfolio focused on growing thermal oil development

Long-term development plan centered on operational excellence, reduced cost structures, reduced long-term liabilities and reduced infrastructure costs

ADVISORIES

Caution Regarding Forward Looking Information:

This presentation contains forward-looking statements within the meaning of securities laws, including the "safe harbour" provisions of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "intend", "forecast", "target", "project", "guidance", "may", "will", "should", "could", "estimate", "predict" or similar words suggesting future outcomes or language suggesting an outlook. In particular, forward-looking statements in this presentation include, but are not limited to: executing on double-digit production growth predicted in 2018; the Corporation being leaner and lower cost than it historically has been; growth potential of the Lindbergh SAGD and Groundbirch Montney dry gas properties; focus on oil development providing significant torque to a recovery in oil prices; Company having material future upside in production, reserves and cash flow; borrowing cost under credit facility of 6.3%; term debt maturities and average interest costs associated therewith; focus of 2018 capital program on Lindbergh growth; plans to optimize existing facilities and infrastructure at Lindbergh; plans for small, highly efficient bolt on capital projects; 2017 and 2018 capital expenditures expected to grow Lindbergh production from 15,000 bbl/d to 18,000 bbl/d by the end of 2018; 2018 corporate guidance; anticipated 2018 exit production of 24,000 boe/d; expected reduced cost structures in 2018 compared to 2017 guidance; WCS price and apportionment protection through 2018 and ability to participate in WTI crude oil price increases; expected contribution to Lindbergh volume growth in 2018 of 2017 wells on Pad 1 and Pad 4; expected strong half-cycle economics and projected IRRs from Lindbergh drilling; $45 million of 2018 capital allocated toward continued production growth at Lindbergh; eight infill wells to be drilled on Pad D05 at Lindbergh in 2018; timing of 2018 Lindbergh drilling and timing of volumes coming on production; plans to recommission Lindbergh pilot; expectation that sentimental swing back to Canadian opportunities which will be recognized and reflected in Pengrowth’s share price; significant upside potential under various pricing and other assumptions; expectation of Pengrowth being a net consumer of natural gas in the first quarter of 2018; expected growth in Groundbirch production in the second quarter; expected move from the Spectra system to the Nova system in April 2018; expectation that Lindbergh will utilize approximately 87% of Pengrowth’s WCSB natural gas production as fuel gas; pace of development at Groundbirch to be dependent upon Lindbergh energy requirements; upside exposure to recovering oil price; long-term development plans centered on operational excellence, reduced cost structures, reduced long-term liabilities and reduced infrastructure costs; expectation of Cold Lake advantages leading to lower quality discounts, higher realized prices and higher netbacks; Lindbergh growth profile; and Groundbirch 2018 Montney development plans.

By their very nature, the forward-looking statements included in this presentation involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to: the volatility of oil and gas prices; production and development costs and capital expenditures; the imprecision of reserve estimates and estimates of recoverable quantities of oil, natural gas and liquids; Pengrowth's ability to replace and expand oil and gas reserves; environmental claims and liabilities; incorrect assessments of value when making acquisitions; increases in debt service charges; ability to remain in compliance of debt covenants and the availability of credit; the loss of key personnel; the marketability of production; defaults by third party operators; unforeseen title defects; fluctuations in foreign currency and exchange rates; inadequate insurance coverage; changes in environmental or other legislation applicable to our operations, and our ability to comply with current and future environmental and other laws and regulations; actions by governmental or regulatory authorities including changes in royalty structures and programs and income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry laws; our ability to access external sources of debt and equity capital on acceptable terms, which will be negatively impacted and our bank line made unavailable should we violate a debt covenant, and the implementation of greenhouse gas emissions legislation.

Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Pengrowth, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking statements contained in this presentation are made as of the date of this presentation and we do not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

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Additional Information – Supplemental Non-IFRS Measures

Readers should refer to Pengrowth’s most recent Annual Information Form under the heading “Business Risks” in the most recent year-end Management’s Discussion and Analysis and most recent consolidated financial statements, management information circular, quarterly reports, material change reports and news releases for additional information with respect to the Company, its operations and risks faced. Copies of our Canadian public filings are available on SEDAR at www.sedar.com. Our U.S. public filings, including our most recent annual report form 40-F as supplemented by our filings on form 6-K, are available at www.sec.gov.edgar.shtml. In addition to providing measures prepared in accordance with International Financial Reporting Standards (IFRS), Pengrowth presents supplemental non-IFRS measures, operating netbacks and funds flow from operations. These measures do not have any standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other companies. These supplemental non-IFRS measures are provided to assist readers in determining Pengrowth’s ability to generate cash from operations. Pengrowth believes these measures are useful in assessing operating performance and liquidity of Pengrowth’s ongoing business on an overall basis. These measures should be considered in addition to, and not as a substitute for, net income, funds flow from operating activities and other measures of financial performance and liquidity reported in accordance with IFRS.

Caution Regarding Engineering Terms:

When used herein, the term "boe" means barrels of oil equivalent on the basis of one boe being equal to one barrel of oil or NGLs or 6,000 cubic feet of natural gas (6 Mcf: 1 bbl). Barrels of oil equivalent may be misleading, particularly if used in isolation. A conversion ratio of six Mcf of natural gas to one boe 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, given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a six to one basis may be misleading as an Indication of value. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. In addition, Pengrowth uses the following frequently-recurring industry terms in this presentation: “bbls” refers to barrels, “Mbbls” refers to a thousand barrels, “MMbbls refers to a million barrels, “Mboe” refers to a thousand barrels of oil equivalent, “MMboe” refers to a million barrels of oil equivalent, “Mcf” refers to thousand cubic feet, “Bcf” refers to billion cubic feet.

Caution Regarding Reserves:

All amounts are stated in Canadian dollars unless otherwise specified. All reserves, resources, reserve life index, and production information herein is based upon Pengrowth’s company interest working interest share of reserves or production plus Pengrowth’s royalty interest, being Pengrowth’s interest in production and payment that is based on the gross production at the wellhead, before royalties and using GLJ’s January 1, 2018 forecast prices and costs. Some Lindbergh specific reserves and resources information is based on a GLJ December 31, 2017 reserves and resources update and use GLJ’s January 1, 2018 forecast prices and costs. Numbers presented may not add due to rounding. The estimates of reserves and future net revenues for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to effects of aggregation. When used herein, the term "boe" means barrels of oil equivalent on the basis of one boe being equal to one barrel of oil or NGLs or 6,000 cubic feet of natural gas (6 mcf: 1 bbl). Barrels of oil equivalent may be misleading, particularly if used in isolation. A conversion ratio of six mcf of natural gas to one boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Caution Regarding Well Test and Initial Production (“IP”) and Steam/Oil Ratios Results

This presentation makes references to well test results, IP rates and steam/oil ratios for certain properties. These results are not necessarily representative of long-term well performance or ultimate recoveries and are subject to various performance factors including geological formation, duration of test, pressure and production declines. Some wells will experience significant and immediate decreases in production rates.

Note to US Readers

Current SEC reporting requirements permit oil and gas companies, in their filings with the SEC, to disclose probable and possible reserves, in addition to the required disclosure of proved reserves. Under current SEC requirements, net quantities of reserves are required to be disclosed, which requires disclosure on an after royalties basis and does not include reserves relating to the interests of others. Because we are permitted to prepare our reserves information in accordance with Canadian disclosure requirements, we have included contingent resources, disclosed reserves before the deduction of royalties and interests of others and determined and disclosed our reserves and the estimated future net cash therefrom using forecast prices and costs. See "Presentation of our Reserve Information" in our most recent Annual Information Form or Form 40-F for more information. We report our production and reserve quantities in accordance with Canadian practices and specifically in accordance with NI 51-101. These practices are different from the practices used to report production and to estimate reserves in reports and other materials filed with the SEC by companies in the United States. We incorporate additional information with respect to production and reserves which is either not generally included or prohibited under rules of the SEC and practices in the United States. We follow the Canadian practice of reporting gross production and reserve volumes; however, we also follow the United States practice of separately reporting these volumes on a net basis (after the deduction of royalties and similar payments). We also follow the Canadian practice of using forecast prices and costs when we estimate our reserves. The SEC permits, but does not require, the disclosure of reserves based on forecast prices and costs. We include herein estimates of proved, proved plus probable and possible reserves, as well as contingent resources. The SEC permits, but does not require the inclusion of estimates of probable and possible reserves in filings made with it by United States oil and gas companies. The SEC does not permit the inclusion of estimates of contingent resources in reports filed with it by United States companies.

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