PENN VIRGINIA CORPORATION

Second Quarter 2017 Earnings Presentation

– August 9, 2017 –

Nasdaq Ticker: PVAC

Forward Looking and Cautionary Statements

Certain statements contained herein that are not descriptions of historical facts are "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as “expects,” “guidance,” “will,” “plan,” “intend” and variations of such words or similar expressions are used to identify forward-looking statements. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks, uncertainties and contingencies include, but are not limited to, the following: timing, costs and unknown risks related to the pending acquisition and our ability to realize expected benefits of the pending acquisition and the risk that the acquisition is not consummated; potential adverse effects of the completed bankruptcy proceedings on our liquidity, anticipation of resource potential, results of operations, business prospects, ability to retain financing and other risks and uncertainties related to our emergence from bankruptcy; our ability to satisfy our short-term and long-term liquidity needs, including our inability to generate sufficient cash flows from operations or to obtain adequate financing to fund our capital expenditures and meet working capital needs; negative events or publicity adversely affecting our ability to maintain our relationships with our suppliers, service providers, customers, employees, and other third parties; new capital structure and the adoption of fresh start accounting, including the risk that assumptions and factors used in estimating enterprise value may vary significantly from the current estimates in connection with the application of fresh start accounting; plans, objectives, expectations and intentions contained in this presentation that are not historical; our ability to execute our business plan in the current commodity price environment; any decline in and volatility of commodity prices for oil, NGLs, and natural gas; our anticipated production and development results; our ability to develop, explore for, acquire and replace oil and natural gas reserves and sustain production; our ability to generate profits or achieve targeted reserves in our development and exploratory drilling and well operations; any impairments, write-downs or write-offs of our reserves or assets; the projected demand for and supply of oil, NGLs and natural gas; our ability to contract for drilling rigs, frac crews, supplies and services at reasonable costs; our ability to obtain adequate pipeline transportation capacity for our oil and gas production at reasonable cost and to sell the production at, or at reasonable discounts to, market prices; the uncertainties inherent in projecting future rates of production for our wells and the extent to which actual production differs from that estimated in our proved oil and natural gas reserves; drilling and operating risks; concentration of assets; our ability to compete effectively against other oil and gas companies; leasehold terms expiring before production can be established and our ability to replace expired leases; costs or results of any strategic initiatives; environmental obligations, results of new drilling activities, locations and methods, costs and liabilities that are not covered by an effective indemnity or insurance; the timing of receipt of necessary regulatory permits; the effect of commodity and financial derivative arrangements; the occurrence of unusual weather or operating conditions, including force majeure events; our ability to retain or attract senior management and key employees; counterparty risk related to the ability of these parties to meet their future obligations; compliance with and changes in governmental regulations or enforcement practices, especially with respect to environmental, health and safety matters; physical, electronic and cybersecurity breaches; litigation that impacts us, our assets or our midstream service providers; uncertainties relating to general domestic and international economic and political conditions; and other risks set forth in our filings with the SEC.

Additional information concerning these and other factors can be found in our press releases and public filings with the SEC. Many of the factors that will determine our future results are beyond the ability of management to control or predict. Readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. The statements in this presentation speak only as of the date of this presentation. We undertake no obligation to revise or update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law.

Oil and Gas Reserves

Statements of reserves are only estimates and may not correspond to the ultimate quantities of oil and gas recovered. Investors are urged to consider closely the disclosure in Penn Virginia’s Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and subsequent Quarterly Reports on Form 10-Q, which are available on its website at www.pennvirginia.com under Investors – SEC Filings. You can also obtain these reports from the SEC’s website at www.sec.gov.

Definitions

Proved reserves are those quantities of oil and gas which, by analysis of geosciences and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulation before the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether the estimate is a deterministic estimate or probabilistic estimate. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves, but which are as likely than not to be recoverable (there should be at least a 50% probability that the quantities actually recovered will equal or exceed the proved plus probable reserve estimates). Possible reserves are those additional reserves that are less certain to be recoverable than probable reserves (there should be at least a 10% probability that the total quantities actually recovered will equal or exceed the proved plus probable plus possible reserve estimates). Estimated ultimate recovery (EUR) is the sum of reserves remaining as of a given date and cumulative production as of that date. EUR is a measure that by its nature is more speculative than estimates of reserves prepared in accordance with SEC definitions and guidelines and accordingly is less certain.

Penn Virginia Today

Second Quarter 2017 Highlights

Strong Operating Performance

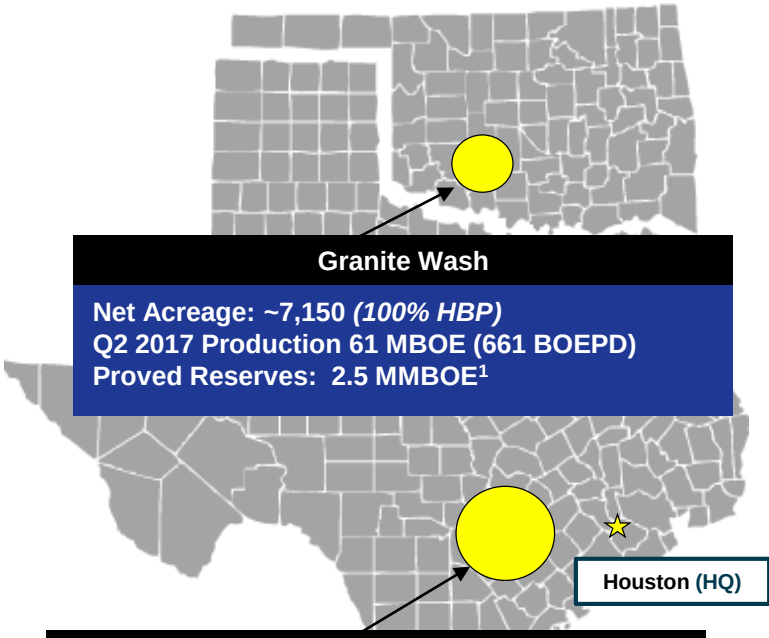
- Exceeded guidance with production of 10,159 BOEPD (74% crude oil), an increase of ~8% over Q1 2017
- Lager 3H (in Area 2) well continues to exceed the type curve with current production rate of 1,000 BOEPD (70% crude oil) after over 95 days online
- Recently completed Zebra (in Area 1) 6H and 7H wells have exhibited strong initial production rates and are outperforming the type curve

Strong Financial Performance (2017 Q2 vs Q1)

- Total product revenues increased 5% to $36.3 million, of which 89% was crude oil sales
- Total direct operating expenses(3) decreased 6% on a per BOE basis
- Operating income was $11.4 million, down 1%
- Net income was $21.3 million (EPS $1.42) as compared to $28.1 million (EPS $1.87) with the decrease primarily associated with lower derivatives income
- Adjusted EBITDAX(4) was $23.1 million, an increase of almost 15%
- Borrowing base increased over 55% to $200 million

Strategic Accretive Acquisition

- On July 31, 2017, announced a $205 MM acquisition of Devon Energy Corporation's Eagle Ford assets located primarily in Lavaca County, TX



1) As of December 31, 2016
2) As of August 7, 2017, including acreage leased in 2017. Excludes net acreage expiring in 2017.
3) Includes lease operating; gathering, processing and transportation; production and ad valorem taxes; and, general and administrative expenses.
4) Adjusted EBITDAX is a non-GAAP measure. Definitions of non-GAAP financial measures and reconciliations of non-GAAP financial measures to the closest GAAP-based measures appear in the appendix to this presentation.

Devon Eagle Ford Acquisition

Increases Core Leasehold Position and Production By Approximately 30%

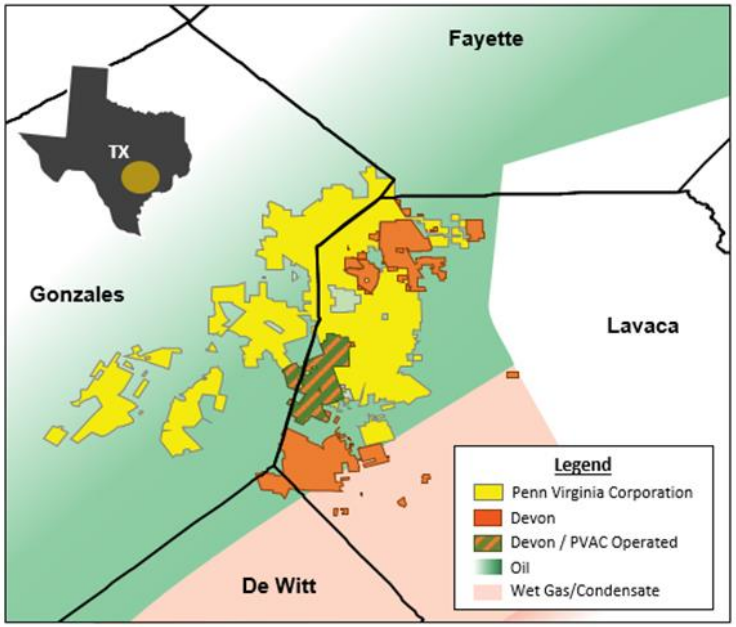
Transaction Summary

- $205 MM acquisition of Devon Energy Corporation's Eagle Ford assets located primarily in Lavaca County, TX
- Target closing: September 30, 2017; effective date: March 1, 2017
- Purchase price expected to be adjusted downwards by ~$15 MM to reflect net cash flows from effective date to closing, resulting in ~$190 MM net purchase price
- Intend to fund with $150 MM of new committed debt financing and borrowings under credit facility
- Transaction subject to customary purchase price and closing adjustments

Significant Benefits of Acquisition

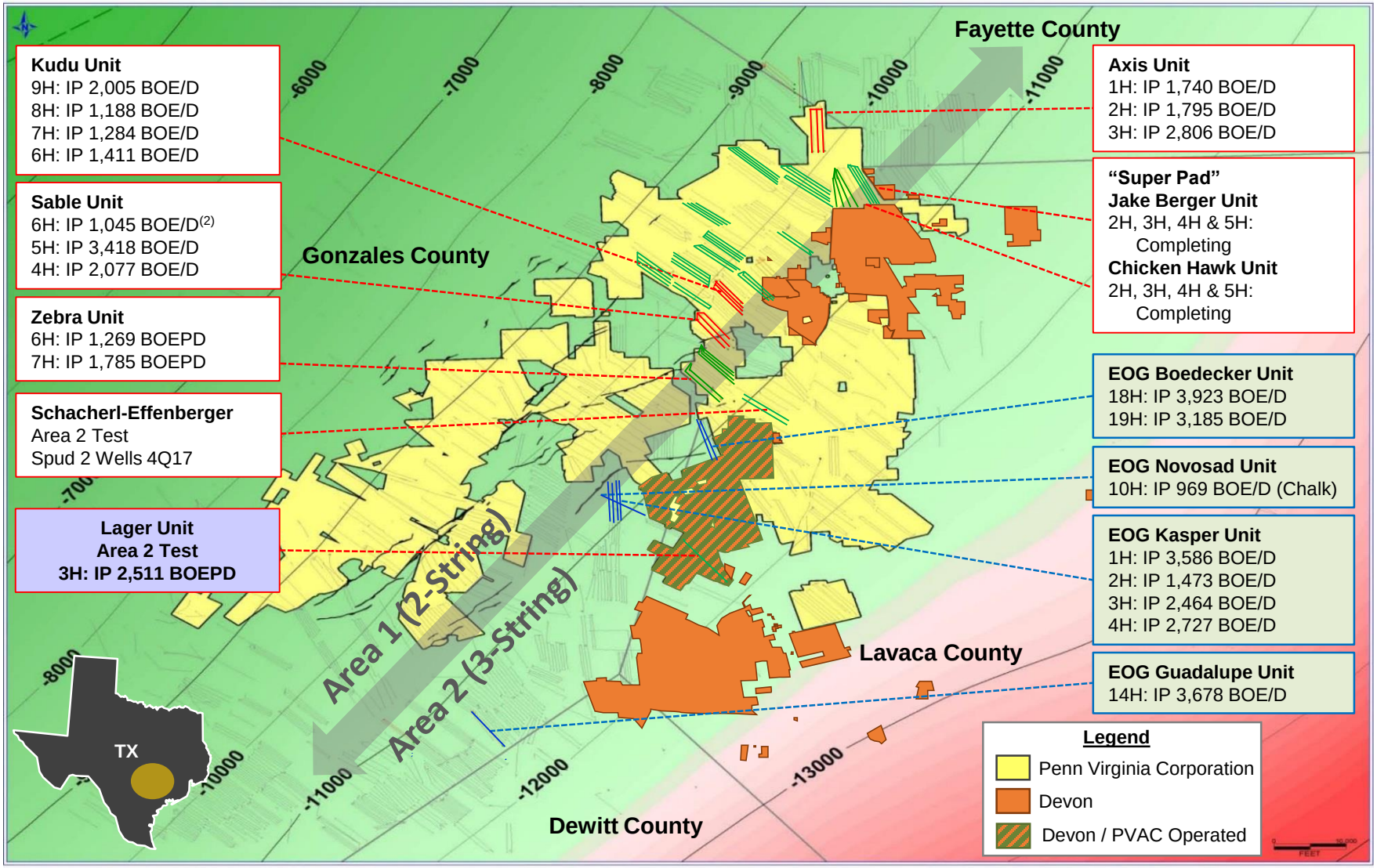
- Acquiring ~19,600 net acres contiguous to core operations
- Offers expanded extended reach lateral ("XRL") well inventory with PV10 breakeven pricing of less than $30/Bbl
- Increases net production by ~30%, or ~3,000 BOEPD (~64% oil)
- Accretive under all measures, including earnings, cash flow and net asset value per share
- Acquiring at attractive price of ~$2,900/net acre after reducing for:
  - Net production value of ~$105 MM ($35,000 per flowing BOEPD)
  - ~$15 MM to reflect net cash flows from effective date to closing
  - ORRI in non-acquired acreage of ~$8 MM
  - Midstream assets valued at ~$20 MM
- Modifying development program by shifting one of PVAC's drilling rigs to Area 2 predominantly in the acquired acreage, which is expected to have higher returns and where PVAC will have increased working interest and drive 2018 production higher
- Significant upside potential in the upper Eagle Ford and Austin Chalk formations
- ~$40 MM of identified operational synergies

Pro Forma Asset Map



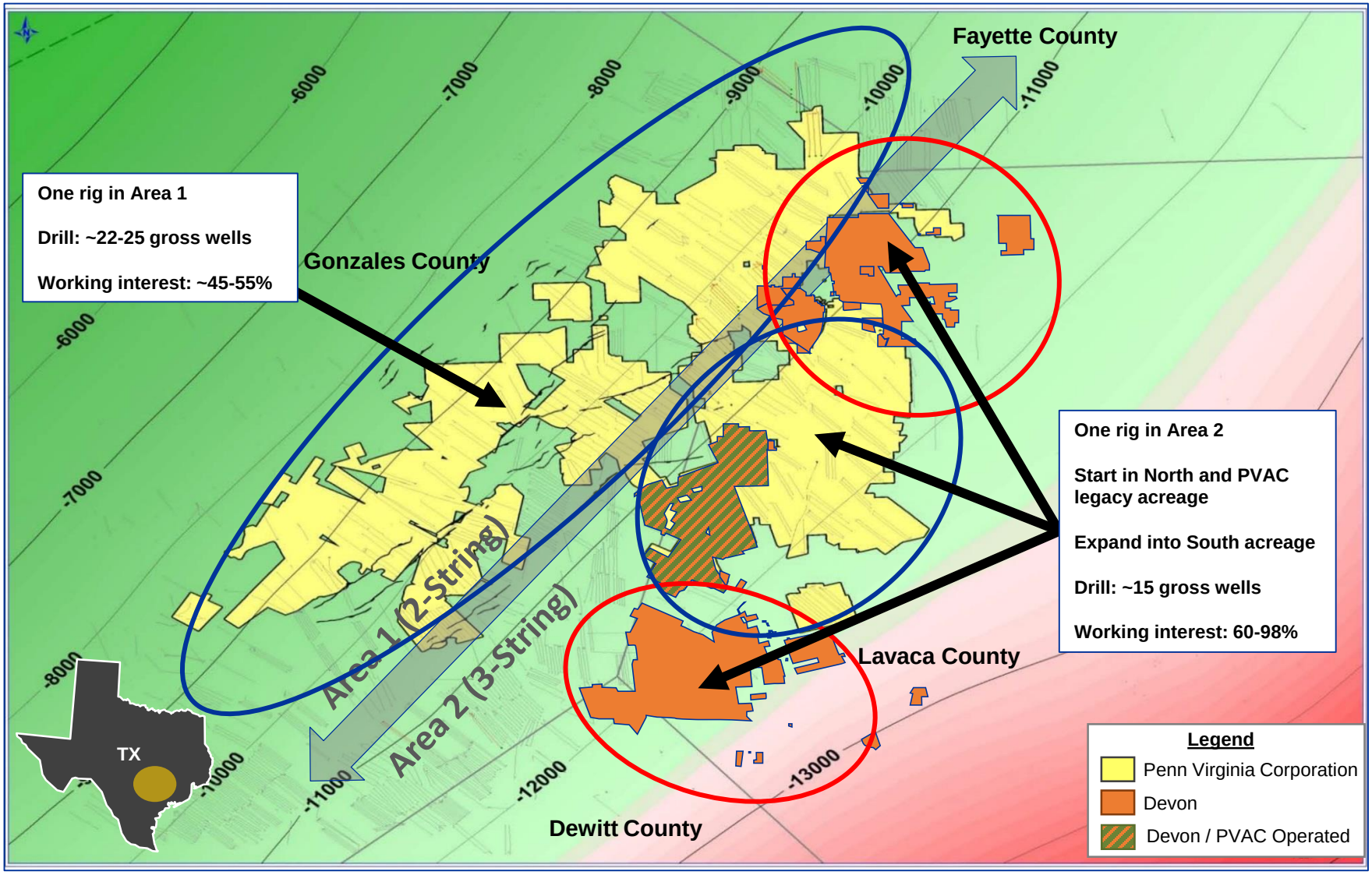
Acreage Map & Recent Well Results(1)

Strong well results – especially Lager 3H and Zebra pad



(1) Results are based on 24-hour IPs of the listed wells. EOG results are as reported to the Texas Railroad Commission.
(2) IP measured with only 9 stages flowing. The remaining 14 stages were drilled out after the recording of the metric.

Preliminary 2018 Plan of Development



Q2 2017 Financial Overview

(in thousands)	Three Months Ended June 30, 2017	Three Months Ended March 31, 2017
Revenues		
Crude oil	$ 32,351	$ 30,073
Natural gas liquids (NGLs)	2,043	2,302
Natural gas	1,880	2,343
Total product revenues	36,274	34,718
Gain (loss) on sales of assets, net	(134)	65
Other, net	142	203
Total revenues	36,282	34,986
Operating expenses		
Lease operating	5,370	4,916
Gathering, processing and transportation	2,555	2,551
Production and ad valorem taxes	2,119	1,979
General and administrative	2,873	3,281
Total direct operating expenses	12,917	12,727
Share-based compensation - equity classified awards	848	846
Depreciation, depletion and amortization	11,076	9,810
Total operating expenses	24,841	23,383
Operating income	11,441	11,603
Other income (expense)		
Interest expense	(1,274)	(538)
Derivatives	11,061	17,016
Other	101	-
Reorganization items, net	-	-
Income (loss) before income taxes	21,329	28,081
Income tax benefit (expense)	-	-
Net income	$ 21,329	$ 28,081

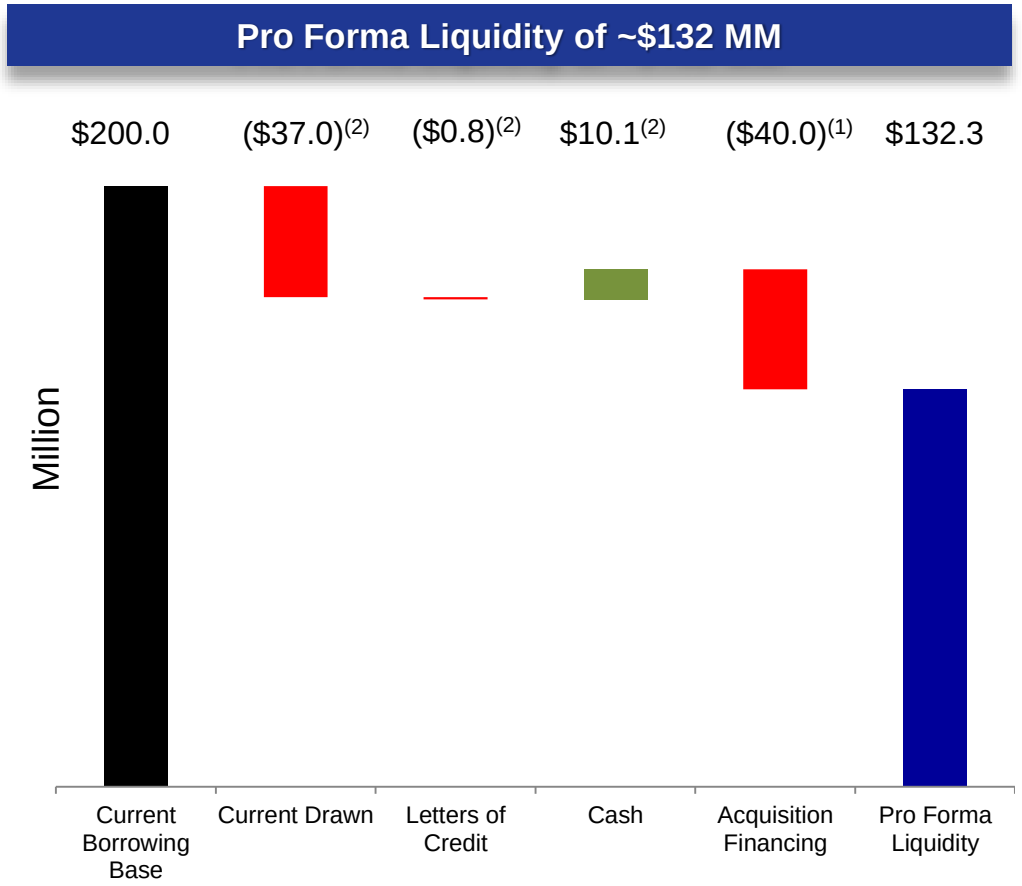
Highlights (compared to Q1 2017)

- Total product revenues increased 5% to $36.3 million, of which 89% was crude oil sales
- Total direct operating expenses decreased 6% on a per BOE basis
- Operating income was $11.4 million, down ~1%
- Net income was $21.3 million (EPS $1.42) as compared to $28.1 million (EPS $1.87) with the decrease primarily associated with lower derivatives income
- Adjusted EBITDAX(1) was $23.1 million, an increase of almost 15%

1 Adjusted EBITDAX is a non-GAAP measure, reconciled to net income in the Appendix of this presentation.

Transaction Financing and Pro Forma Liquidity

- Quarter-end liquidity of $172 MM
  - Current liquidity of $158MM
  - $47 MM drawn on credit facility, $6 MM in cash
- Expected transaction financing(1)
  - $150 MM of new committed debt
  - ~$40 MM from credit facility
- In discussions to further amend and increase borrowing base
  - Expect meaningful increase in borrowing base
- Focused on maintaining a healthy balance sheet



(1) Assumes net purchase price of ~$190 MM including ~$15 MM adjustment to reflect net cash flows from effective date to closing. Excludes transaction financing costs.
(2) As of June 30, 2017.

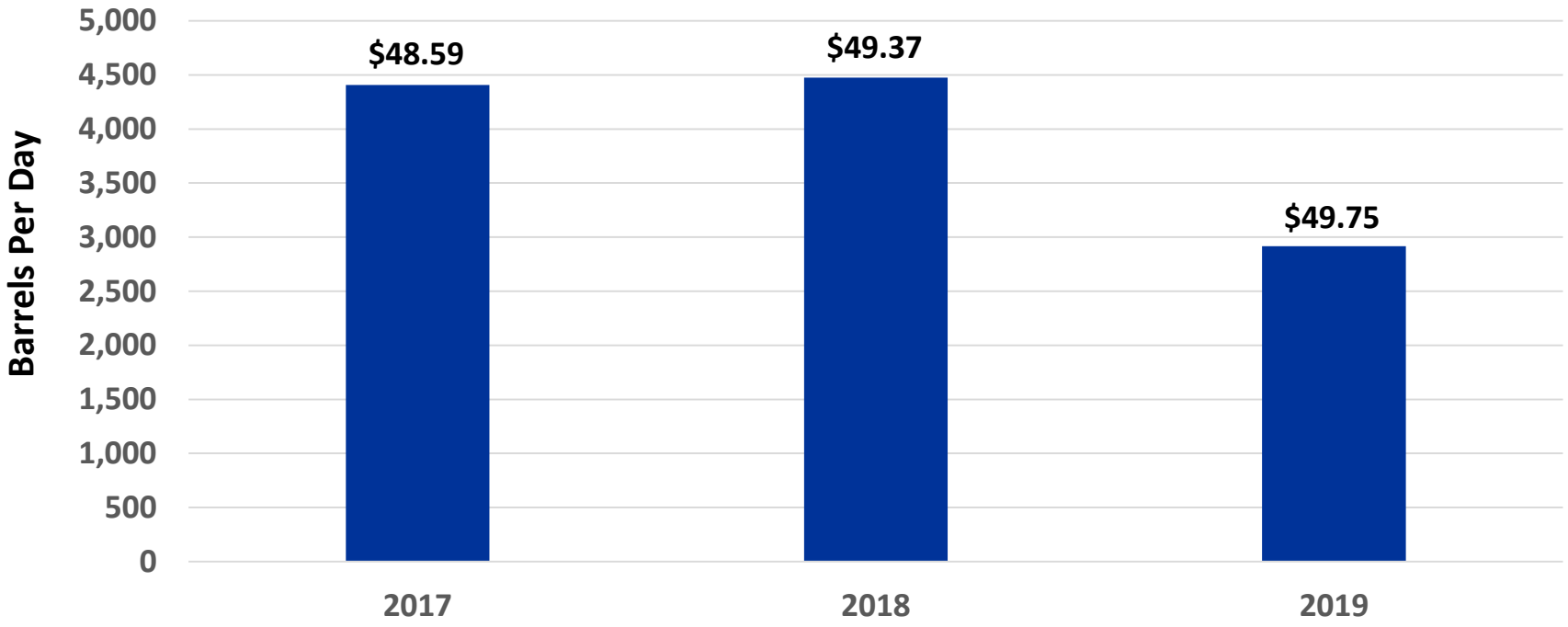
Updated Guidance

The table below sets forth current operational guidance for the full year 2017 and 2018 and production guidance for Q3 2017. Guidance assumes closing the acquisition on September 30, 2017:

	2017		2018	
Production (BOEPD)		**% oil**		**% oil**
Third quarter	9,200 - 9,600	74%		
Fourth quarter (exit rate)	14,600 - 15,200	74%	21,000 -23,000	74%
Full year	10,600 - 11,200	73%	20,000 - 22,000	74%
Realized Price Differentials				
Oil (off WTI, per barrel)	$2.00 - $2.50			
Natural gas (off Henry Hub, per MMBtu)	$0.10 - $0.20			
Direct operating expenses				
Cash G&A expense ($ millions)	$12 - $14			
Lease operating expense (per BOE)	$5.00 - $5.50			
GPT expense (per BOE)	$2.75 - $3.00			
Ad valorem and production taxes (% of production revenues)	5.75% - 6.25%			
Capital expenditures ($ millions)	$140 - $160		$220 - $240	

- "Super pad" is now expected to be turned to sales in late Q3 2017. Average daily production for Q3 2017 is expected to be 9,200-9,600 BOEPD (74% oil)
- Expect total 2017 production volumes at 3.9-4.1 MMBOE, or 10,600-11,200 BOEPD (73% oil)
- Capital spending for 2017 anticipated at $140MM-$160MM, with ~90% directed to drilling and completing in Eagle Ford
- On average, Area 1 Gen 3 wells anticipated to cost $5.0 MM to $5.2 MM and Gen 4 wells anticipated to cost $5.3 MM to $5.7 MM

Oil Hedge Positions



	Oil Volumes (Barrels Per Day)	Average Swap Price ($ Per Barrel)
2017 (remaining)	4,408	$48.59
2018	4,476	$49.37
2019	2,916	$49.75

As of July, 31 2017

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Questions & Answers

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Appendix

Non-GAAP Reconciliation – Adjusted EBITDAX

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CERTAIN NON-GAAP FINANCIAL MEASURES - unaudited
(in thousands)

	Successor Three Months Ended June 30, 2017	Successor Three Months Ended March 31, 2017	Predecessor Three Months Ended June 30, 2016	Successor Six Months Ended June 30, 2017	Predecessor Six Months Ended June 30, 2016
Reconciliation of GAAP "Net income (loss)" to Non-GAAP "Adjusted EBITDAX"					
Net income (loss)	$ 21,329	$ 28,081	$ (67,266)	$ 49,410	$ (100,739)
Adjustments to reconcile to Adjusted EBITDAX:					
Interest expense	1,274	538	32,221	1,812	56,655
Income tax (benefit) expense	-	-	-	-	-
Depreciation, depletion and amortization	11,076	9,810	11,746	20,886	25,558
Exploration	-	-	4,320	-	5,647
Share-based compensation expense (equity-classified)	848	846	1,966	1,694	1,364
Loss (gain) on sale of assets, net	134	(65)	(910)	69	(757)
Accretion of firm transportation obligation	-	-	142	-	317
Adjustments for derivatives:					
Net losses (gains)	(11,061)	(17,016)	21,759	(28,077)	17,267
Cash settlements, net	(466)	(1,992)	16,393	(2,458)	46,952
Adjustment for special items:					
Reorganization items, net	-	-	7,380	-	7,380
Strategic and financial advisory costs	-	-	6,973	-	18,036
Restructuring expenses	-	(20)	351	(20)	1,099
Adjusted EBITDAX	$ 23,134	$ 20,182	$ 35,075	$ 43,316	$ 78,779

Adjusted EBITDAX represents net income (loss) before interest expense, income tax expense (benefit), depreciation, depletion and amortization expense, and share-based compensation expense, further adjusted to exclude the effects of gains or losses on sale of assets, accretion of firm transportation obligation, non-cash changes in the fair value of derivatives, strategic and financial advisory costs, restructuring expenses and other non-cash items. We believe this presentation is commonly used by investors and professional research analysts in the valuation, comparison, rating, investment recommendations of companies within the oil and gas exploration and production industry. We use this information for comparative purposes within our Industry. Adjusted EBITDAX is not a measure of financial performance under GAAP and should not be considered as a measure of liquidity or as an alternative to net income (loss). Adjusted EBITDAX as defined by Penn Virginia may not be comparable to similarly titled measures used by other companies and should be considered in conjunction with net income (loss) and other measures prepared in accordance with GAAP, such as operating income or cash flows from operating activities. Adjusted EBITDAX should not be considered in isolation or as a substitute for an analysis of Penn Virginia's results as reported under GAAP.