



NYSE: PVR



NYSE: PVG



**RBC Capital Markets
Master Limited Partnership Conference**

**Las Colinas, Dallas, Texas
November 15-16, 2007**



Overview



Investment Highlights

General

- Track Record of Unit Price Appreciation and Distribution Growth Since 2001
- Growth Via Accretive Acquisitions With Strong Balance Sheet and Liquidity
- Coal and Natural Resource Management and Natural Gas Midstream Platforms
- Accelerated Cash Flow Growth Potential for PVG Due to 100% IDR Ownership
- Proven Management Team

Coal & Natural Resource Management (NRM)

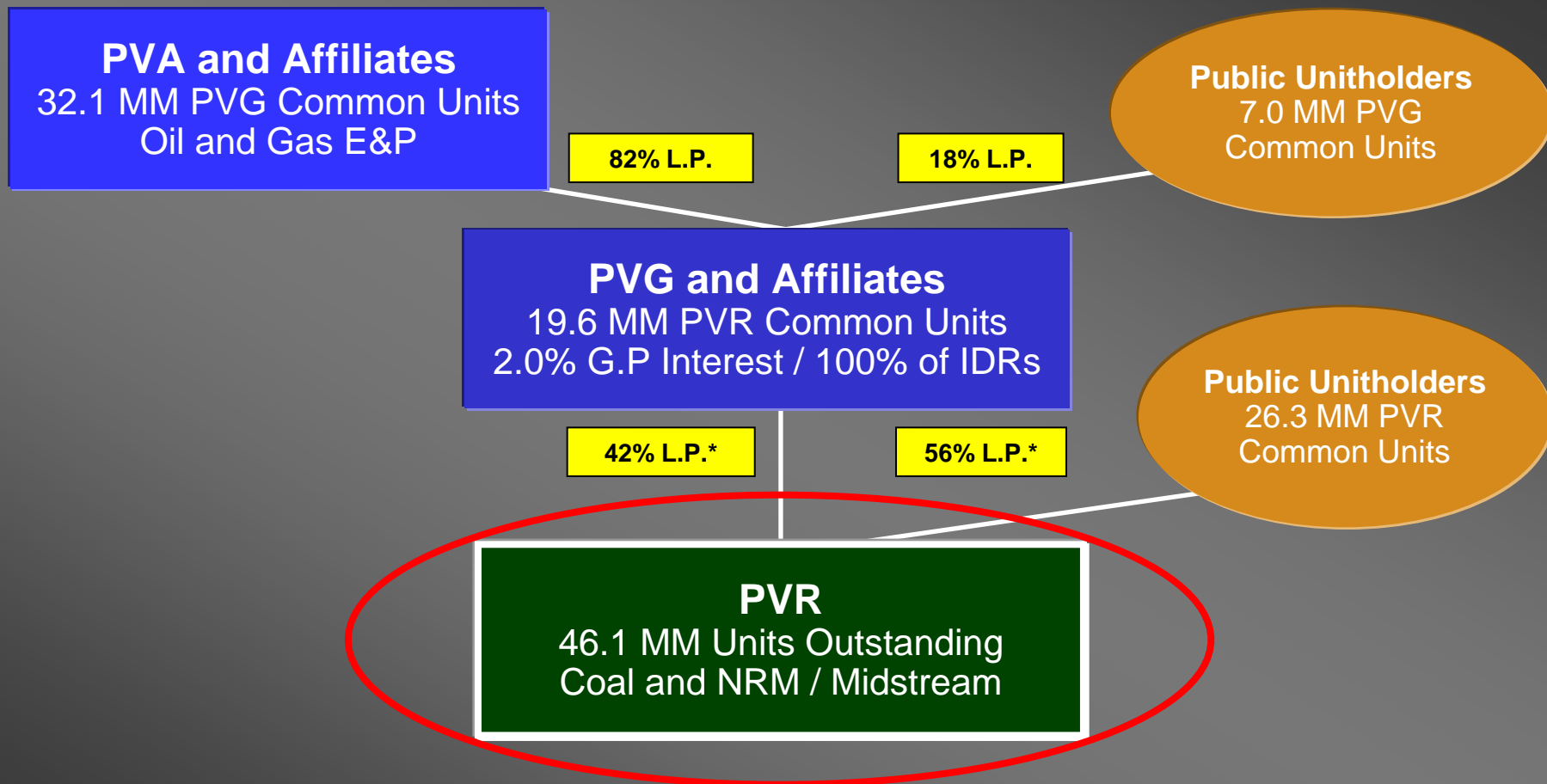
- Coal Royalty Business, Not Coal Mining → Predictable, Stable Cash Flows
- PVR Controls Over 800 MM Tons of Coal Reserves
- Majority of Coal Reserves has High BTU and Low Sulfur Content
- Ancillary Businesses Include Coal Infrastructure, Timber and Oil & Gas Royalties

Natural Gas Midstream

- 2005 Addition of Midstream Provided PVR With Another Major Source of Cash Flow
- Traditional Gathering and Processing Business With Significant Organic Potential
- Existing and Potential Projects With Penn Virginia Corp.



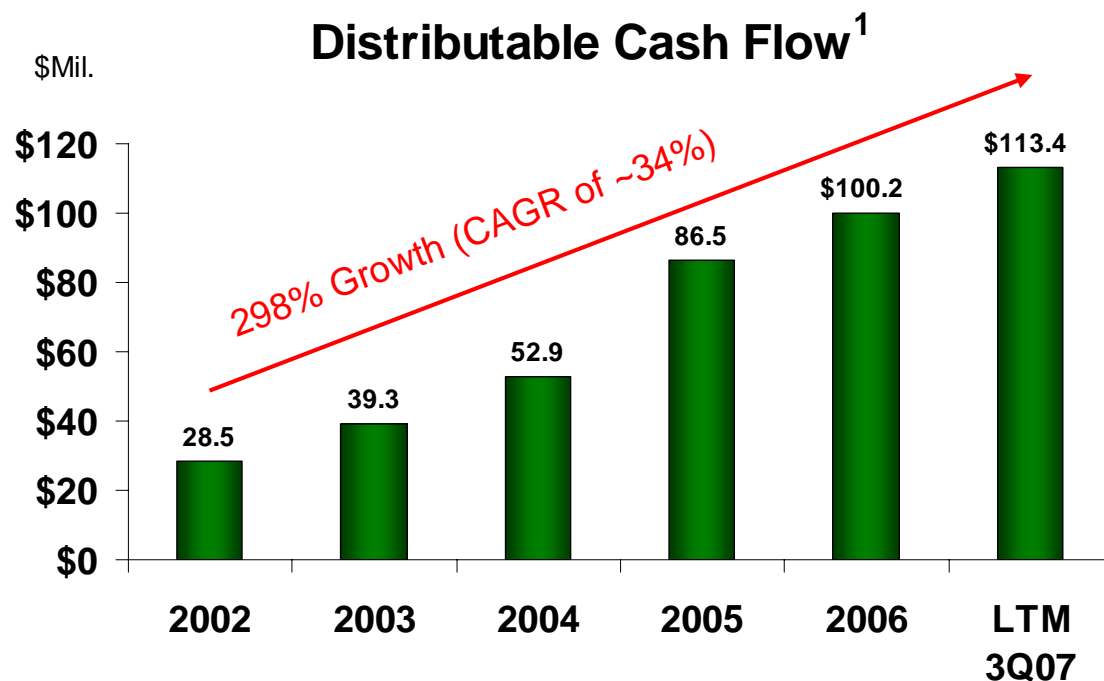
Penn Virginia Group



* PVR's L.P. units represent an aggregate 98% partnership interest

Growth in Distributable Cash Flow

- 2005 Expansion Into Natural Gas Midstream Was a Primary Driver
- Coal & NRM Acquisitions Have Fueled Additional Growth
- Midstream Growth Expected via Organic Projects and Acquisitions



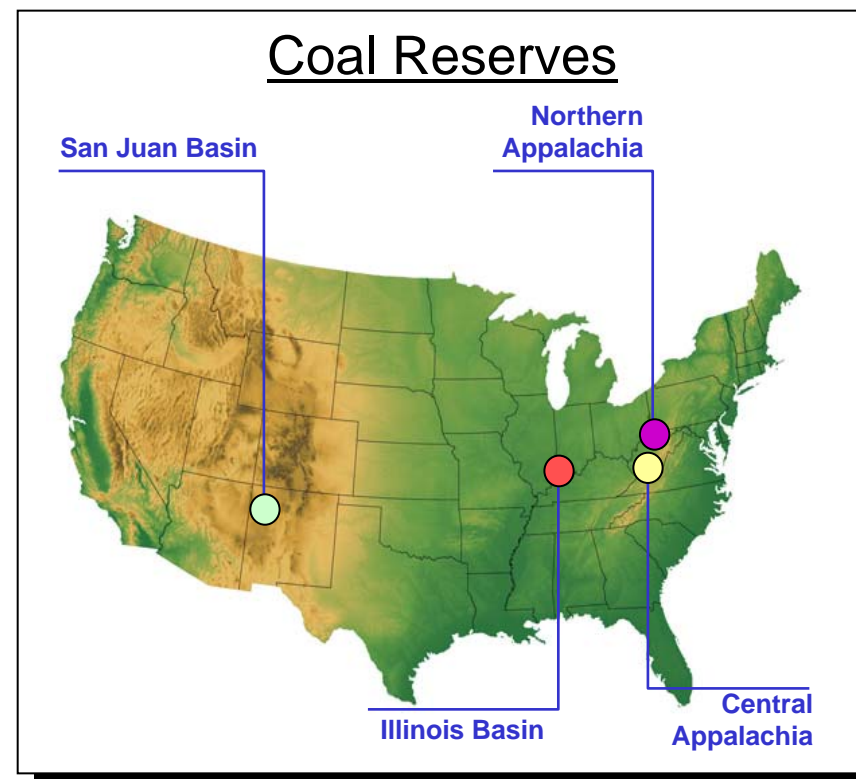
¹ Distributable cash flow is a non-GAAP (generally accepted accounting principles) measure that represents net income plus depreciation, depletion and amortization expense, plus derivative losses (gains) included in operating income and other income, plus cash paid for derivative settlements, minus non-cash cost of midstream gas purchased minus maintenance capital expenditures

PVR Coal & Natural Resource Mgmt.

Attractive Reserve / Production Bases, and Ancillary Businesses

| <u>Coal Areas of Operation</u> | <u>LTM¹ Coal Production by Lessees (Mil. Tons)</u> | <u>Proved & Prob. Reserves (Mil. Tons)</u> | <u>R/P Ratio Reserve Life (Years)</u> |
|--------------------------------|---|--|---------------------------------------|
| ● C. Appalachia | 19.9 | 544 | 27.3 |
| ● N. Appalachia | 4.9 | 32 | 6.5 |
| ● San Juan Basin | 5.7 | 54 | 9.5 |
| ● Illinois Basin | <u>3.1</u> | <u>171</u> ² | 55.2 |
| TOTALS | 33.5 | 801 ² | 23.9 |

- **Acquire & Manage Coal and Related Properties**
- **Managing Coal Properties Since 1882 (125 yrs)**
- **Acquisitions Include Coal Royalties, Timber, Oil & Gas Royalties and Coal Infrastructure**
- **Segment Contributed 67% of LTM Operating Income (3Q07)**
- **Segment Contributed 63% of LTM EBITDA (3Q07)**



¹ Latest twelve months as of 9/30/07

² As of 12/31/06, adjusted for acquisitions of 60 MM tons in Illinois and Kentucky in the second quarter of 2007, less YTD 2007 production through 9/30/07



PVR Coal & Natural Resource Mgmt.

Coal Royalty Structure Benefits

- **PVR Coal (PVRC) has a Coal Royalty Business – Not a Coal Mining Operation**
- **Structure Allows Upside Participation and Higher Margins, With Relatively Low Downside Risk**

| Characteristic | Coal Royalty | Coal Operator |
|--|--------------|---------------|
| Operating Margins | High | Variable |
| Cash Flow Stability | High | Variable |
| Reinvestment Requirements | Low | High |
| Social Costs (e.g., benefits, black-lung) | Low | High |
| Reclamation Exposure | Low | High |

- **PVRC Has No Direct Exposure to Mine Operating Costs and Risks, Maintenance CAPEX Requirements or Mine Reclamation Costs**
- **Control Over Reserves: In the Event of an Operator Problem, PVRC Keeps its Coal for Future Re-Leasing**



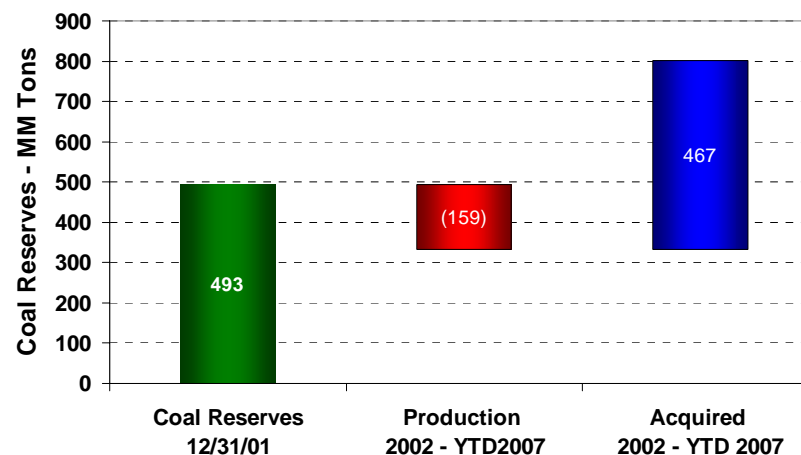
PVR Coal & Natural Resource Mgmt.

Strong Growth in Assets

Coal & Natural Resource Management

- Since its IPO, PVR has acquired 467 MM tons of coal reserves
- Since 2005, PVRC acquired 318 MM tons of coal reserves for \$228 MM
- Expanding footprint in the Illinois Basin – approximately 21% of pro forma reserves
- Growing coal infrastructure business
- Acquired WV timber for \$93 MM in 3Q07
- Acquired VA oil & gas royalties for \$31 MM in 4Q07 (from PVOG)
- Segment now has four underlying natural resource businesses by which it can grow
 - coal royalties remain the dominant source of cash flow (80% - 85% of revenues)

2002-2007 Changes in Coal Reserves





NYSE:PVR



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PVR Natural Gas Midstream

Growth Via Acquisitions and Expansion of Existing Systems

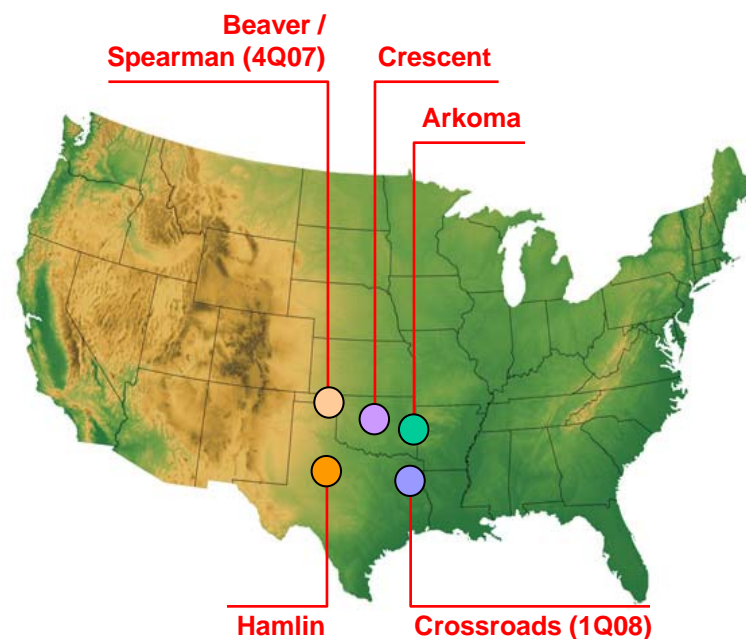
| Midstream Systems | Gathering Pipelines (Miles) ¹ | Natural Gas Processing Capacity (MMcf/d) ¹ | 3Q07 Average Inlet Vol. (MMcf/d) |
|-------------------|--|---|----------------------------------|
| Beaver | 1,377 | 100 | 153 |
| Crescent | 1,679 | 40 | 21 |
| Hamlin | 497 | 20 | 7 |
| Arkoma | 78 | --- | 13 ² |
| TOTALS | 3,631 | 160 | 194 |

- Initial Acquisition in March 2005
- Second Platform for Cash Flow Growth
- Long-Lived, Stable Cash Flows
- 3Q07 Throughput Volumes of 194 MMcf/d
- Large Market for Acquisitions
- Growth Will be Both Organic and Via Acquisitions
- Segment Contributed 33% of PVR's LTM Operating Income (3Q07)
- Segment Contributed 37% of PVR's LTM EBITDA (3Q07)

¹ As of 12/31/06

² Gathering volumes only, no processing capacity

Midstream Operating Areas



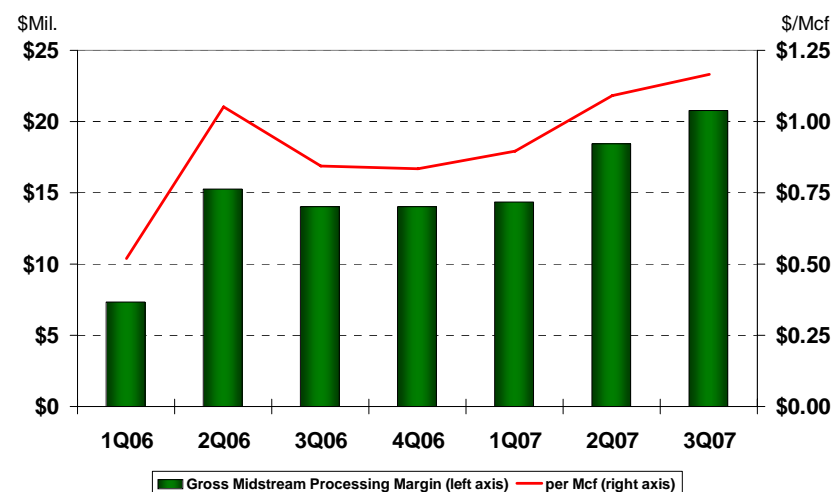
PVR Natural Gas Midstream

Strong Growth in Assets

Natural Gas Midstream

- Initial midstream acquisition in March 2005 (Cantera; \$199 MM)
- Since 1Q05, PVRM's throughput volumes have increased 54%
- Experienced management and seeking to grow through acquisitions and organic growth projects:
 - Transwestern pipeline and compression acquisition in western Oklahoma and Texas Panhandle (2Q06)
 - Spearman processing plant in Texas Panhandle (4Q07)
- Potential synergies with PVA's exploration and production business (PVOG):
 - PVOG marketing
 - Crossroads processing plant in east Texas / Cotton Valley play (1Q08)

Gross Midstream Processing Margin¹



¹ Gross midstream processing margin is adjusted to reflect the cash effects of derivatives (i.e., excludes non-cash impact of derivatives)



Solid Balance Sheet to Support Growth

- **PVR Has “Dry Powder” for Growth**
 - Low-cost bank debt (L +75 bps)
 - Cash on hand
 - Cash flows from operations
- **Combination of Private Notes and Interest Rate Swaps Fixes 34% of 9/30/07 Debt at 5.51%¹**
- **Strong Credit Statistics**

| <u>Financial Data</u> | <u>09/30/07</u> |
|--|-----------------|
| Cash (\$MM) | \$3 |
| Total Assets (\$MM) | \$849 |
| Total Debt (\$MM) | \$364 |
| Partners' Capital (\$MM) | \$389 |
| Total Capitalization (\$MM) | \$753 |
| Current Borrowing Availability (\$MM) ² | \$298 |
| Liquidity (Borrowing Availability + Cash) ² | \$301 |
| LTM ³ EBITDA (\$MM) | \$147 |
| LTM ³ Operating Income (\$MM) | \$107 |
| Net Debt / Net Book Capitalization ⁴ | 48% |
| Total Debt / LTM ³ EBITDA | 2.5x |

¹ Does not reflect additional borrowings and interest rate swap entered into in 4Q07

² Availability of under the credit facility subject to certain terms and conditions; includes one-time option to expand revolver by \$150 MM

³ LTM = latest twelve months ended 9/30/07

⁴ Net debt and net capitalization is defined as debt and capitalization, respectively, less cash



PVR Performance Overview

Significant EBITDA Growth

- Coal & NRM is the Primary EBITDA Contributor**

- 63% of LTM EBITDA (3Q07)
- 17% growth from 2005 to LTM

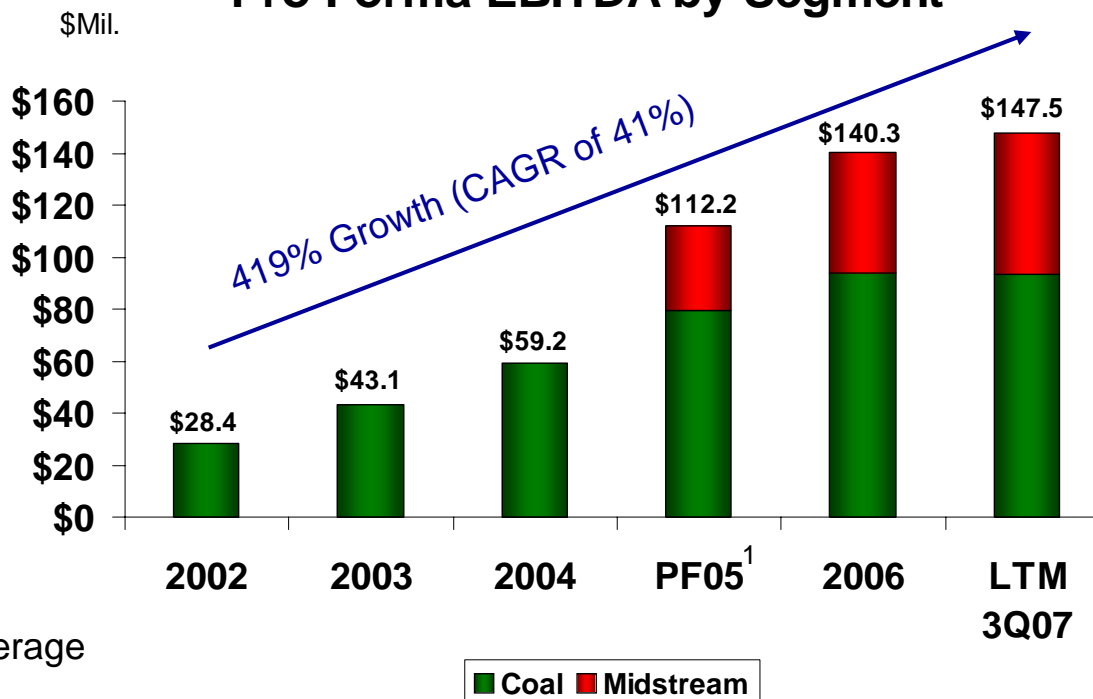
- Midstream Has Provided Additional Growth**

- 37% of LTM EBITDA (3Q07)
- 66% growth from PF2005 to LTM

- EBITDA Growth Provides the Future Potential to:**

- Increase distributions / build up coverage
- Repay debt / improve credit statistics
- Make accretive acquisitions

Pro Forma EBITDA by Segment



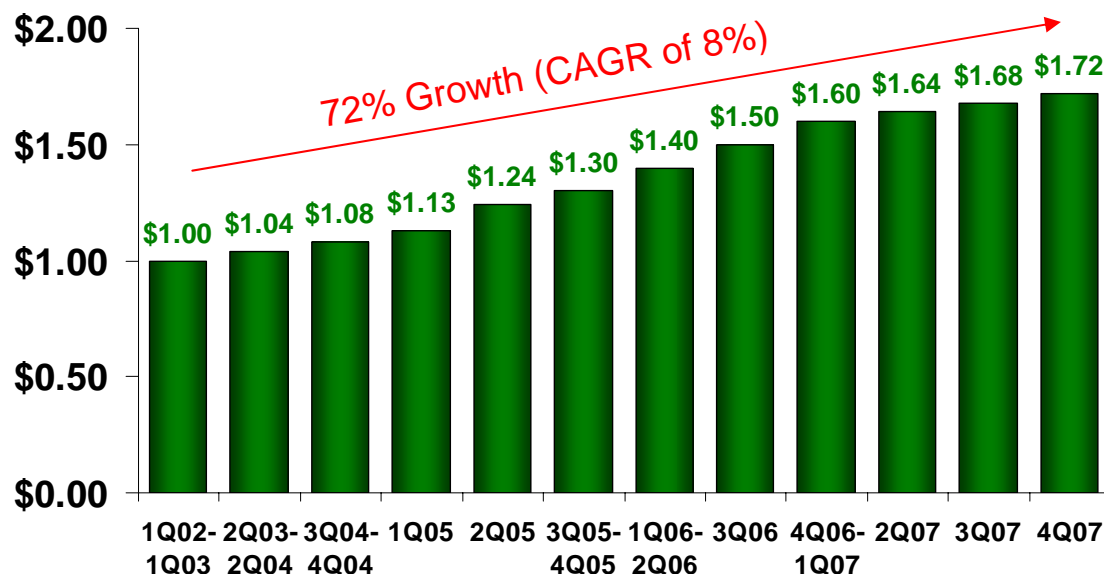
¹ Reflects the results of PVR's midstream operations as if the acquisition of the natural gas midstream business from Cantera was effective January 1, 2005. EBITDA values exclude cash settlements of derivatives.



Proven Track Record: Distribution Increases

- 11 Increases Since 2001 IPO
- Six Increases in 2006-2007
- 72% Increase Since 2001
- 8% CAGR Since 2001
- 32% Increase in 2006-2007
- “High Splits” Since 3Q06
- Incentive Distribution Rights’ Splits:

Annualized PVR Cash Distribution Growth



Annualized Distribution

GP Split

LP Split

\$1.10 and below:

2%

98%

\$1.10 < \$1.30

15%

85%

\$1.30 < \$1.50

25%

75%

\$1.50 up¹

50%

50%

of PVR distributions up to \$1.10

of PVR distributions – above \$1.10

of PVR distributions – above \$1.30

of PVR distributions – above \$1.50 high splits

¹ Current annualized distribution level is \$1.72 per unit.

Among Leaders in Distribution Growth

- PVR Has Outperformed Nearly All of its Peers**

- Coal MLPs have outperformed

- Double-Barreled Growth From Both Segments Since the End of 2004**

- PVRC - 318 MM tons of coal reserves
NRM - \$124 MM of timber/gas royalties
- PVRM - \$214 MM + CAPEX

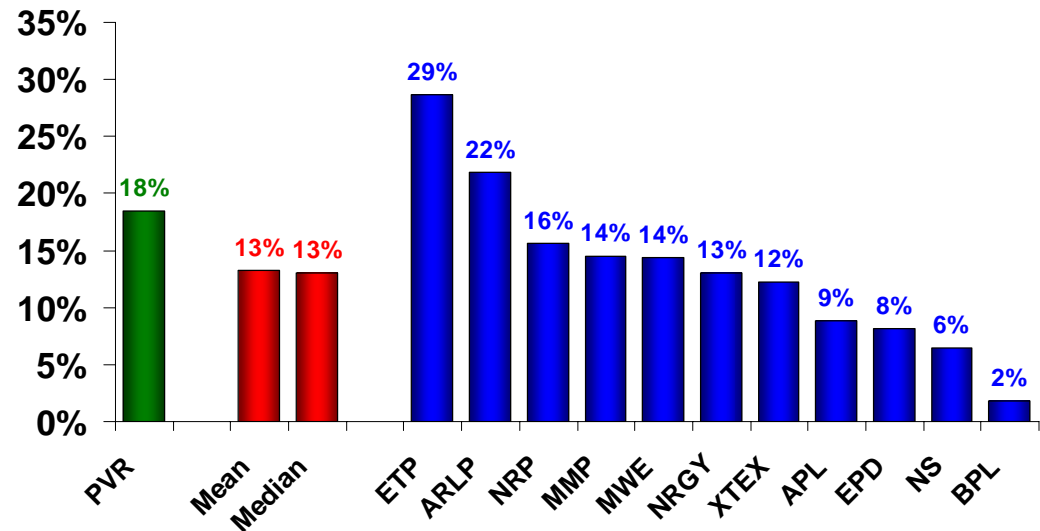
- Unique Leverage to Two Growing Energy Segments**

- Coal – dominant fuel for baseload power; ancillary businesses
- Natural gas – dominant fuel for heating & peaking power

- PVR Well-Positioned to Continue Growth**

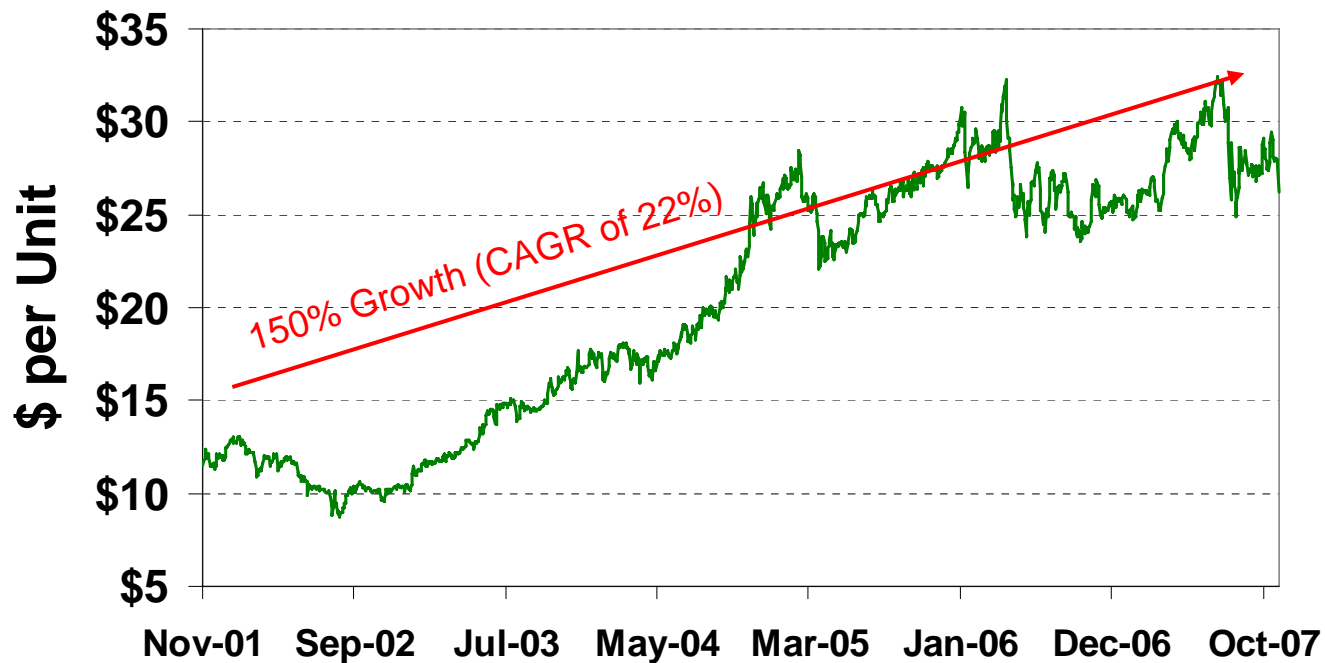
2005-2007 Annualized Distribution Growth

4Q '07 vs. 4Q '04



PVR Unit Price Performance¹

2001-Present



¹ Adjusted for 2 for 1 stock split as of 4/5/06.



PVR Strategy

Road Map for Growth

Business

Strategy

Coal & Natural Resource Management



- Grow & diversify coal reserve holdings
- Expand services/infrastructure on PVR properties
- Acquire royalty-like cash streams (e.g. timber, gas)

Natural Gas Midstream



- Acquire new gathering & processing assets
- Expand existing systems – new well connects
- Increase service level to PVA's E&P business

Maintain Financial Discipline



- Fund growth with a combination of debt and equity
- Increase distributions at competitive rate, considering reinvestment needs for long-term growth



PVR 2007 Strategy Execution

- **Highlights:**

Coal and NRM

Tonnage guidance flat in 2007;
- increase expected in 2008 due to acquisitions in 2007 and prior

Increase in coal services revenues

Acquisitions - 2Q07 PVRC: Illinois Basin (60 MM tons)
- 3Q07 NRM: ~62,000 acres of WV forestlands
- 4Q07 NRM: \$31 MM of VA gas royalties

Natural Gas Midstream

Organic volume growth - New processing plants & other facilities
- Incremental extensions

Continued refinements of contract structure and hedges

Stand-alone systems and facilities

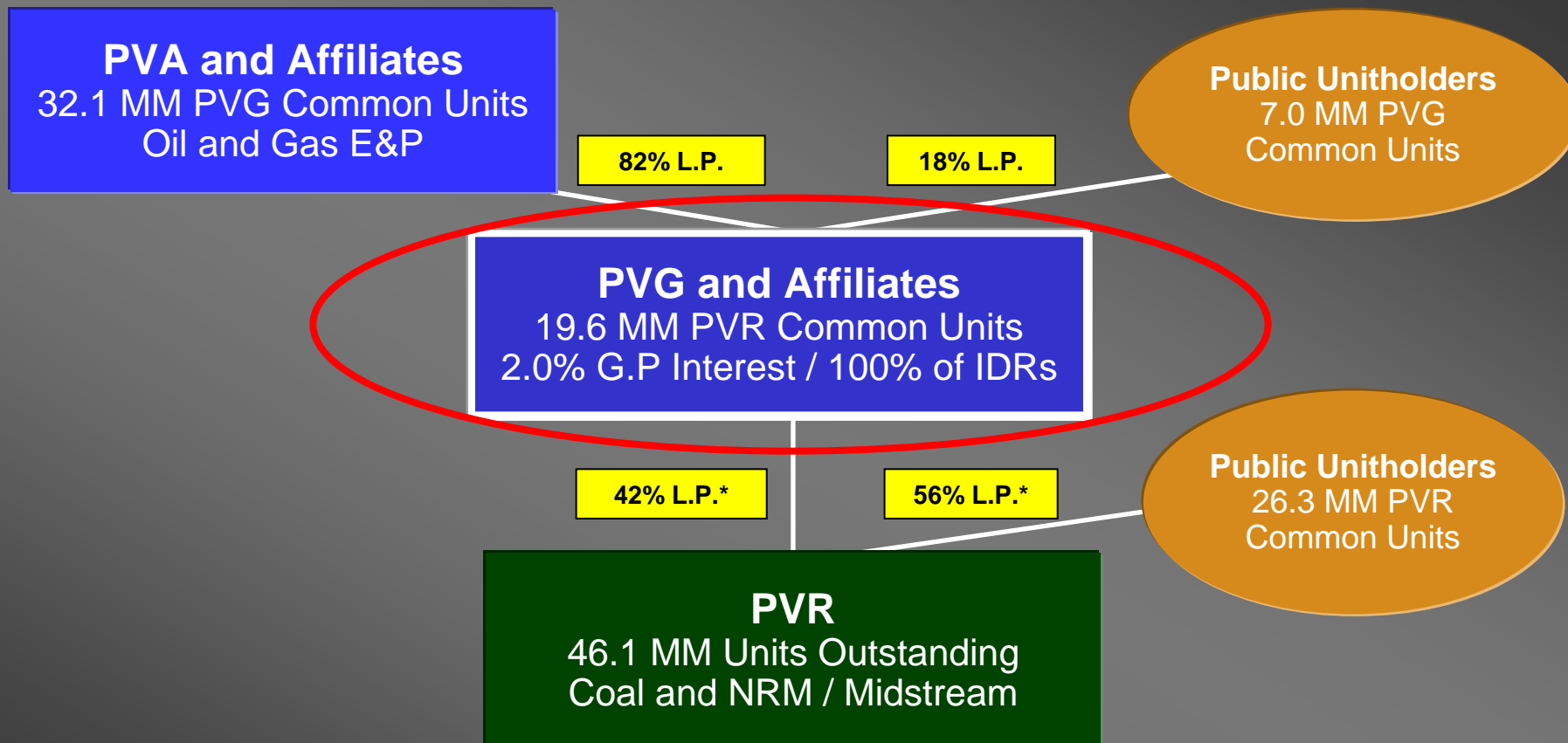
New processing plant in Texas Panhandle - Spearman (4Q07)

New processing plant in east Texas - Crossroads (w/ PVA – 1Q08)



Overview of PVG

Penn Virginia Group



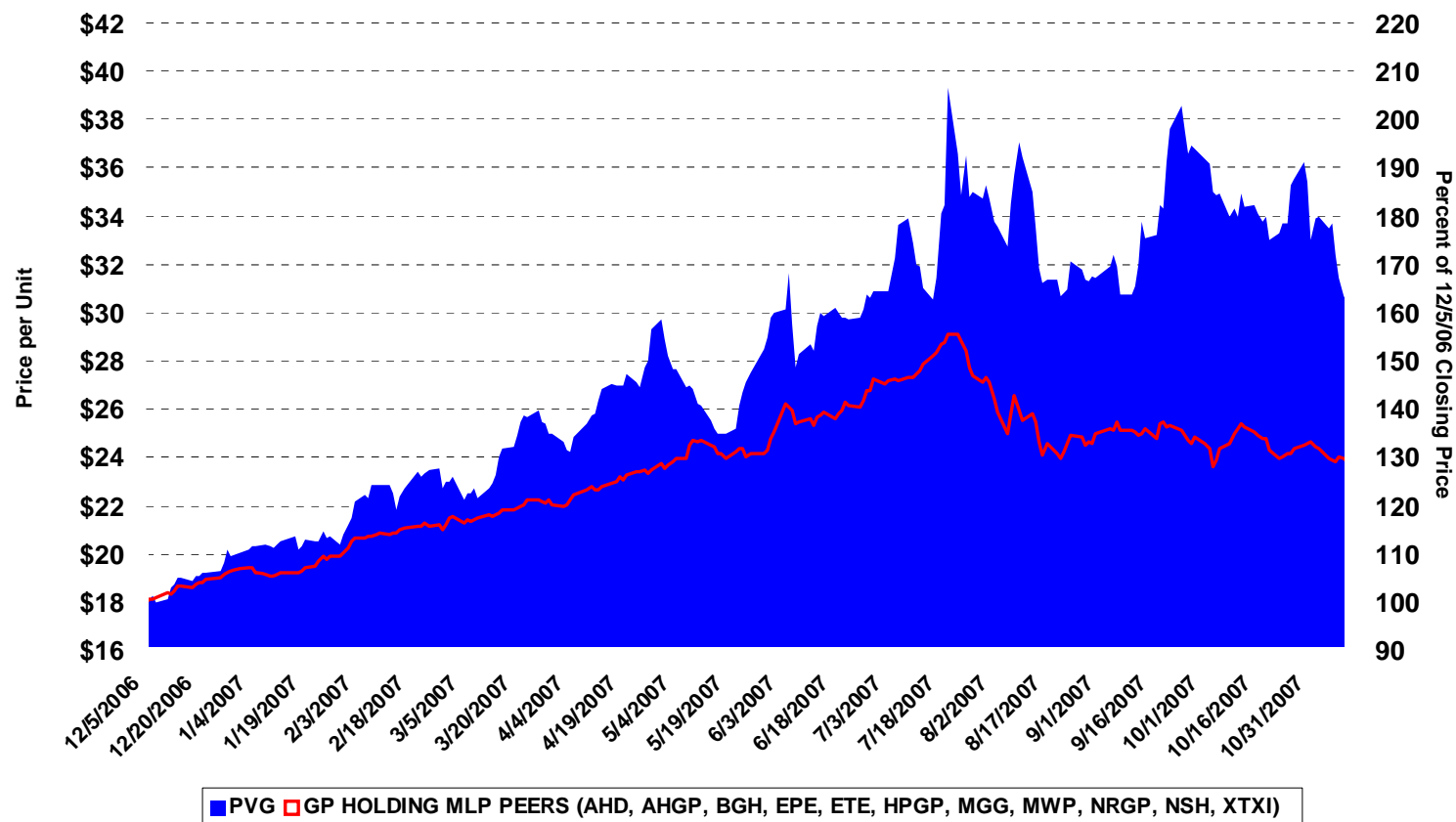
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Post-IPO Unit Price Performance

PVG Price Performance Since its IPO

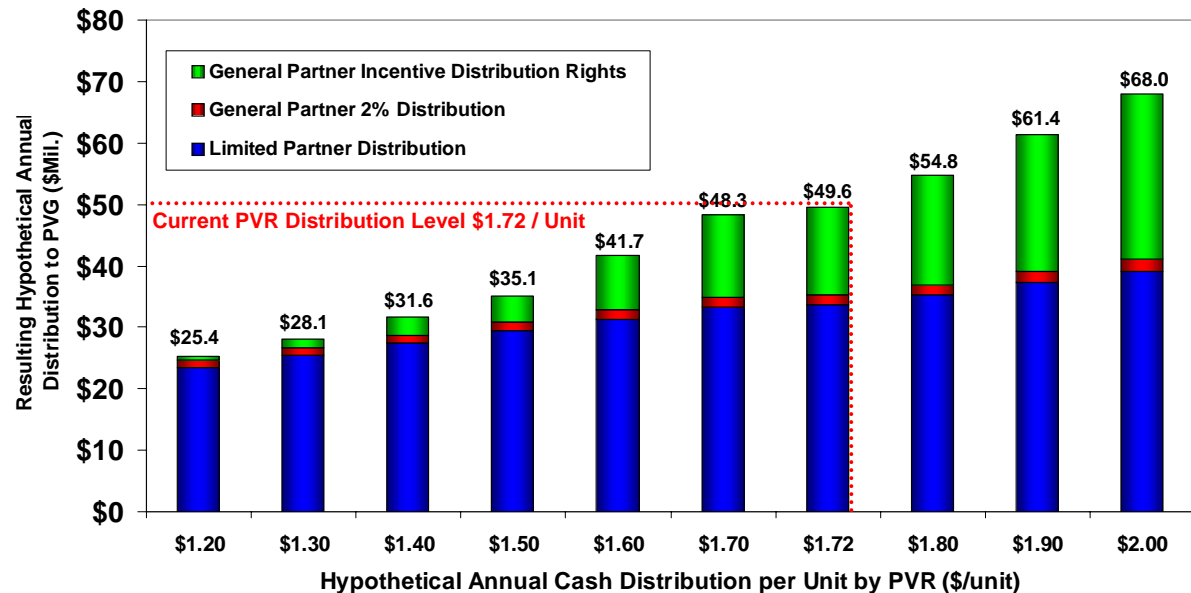
From 12/5/06 - 11/12/07



PVG's Leverage to PVR Growth

- PVR's G.P. Entered the 50% IDR "High Splits" in 3Q06
- PVG Would Receive \$49.6 MM at Current Annualized PVR Distribution Level¹
- PVG's GP Multiplier is Approximately 2.5x²

Hypothetical Distributions to PVG



¹ Current annualized PVR distribution level is \$1.72 per unit

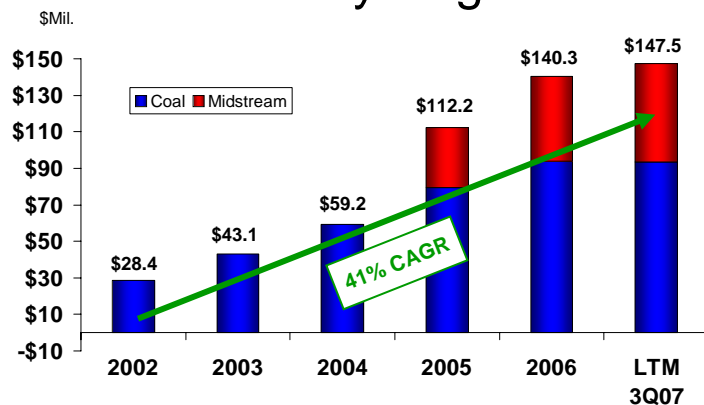
² Assumes constant PVR units outstanding (46.1 MM) and constant PVG ownership of PVR units (19.6 MM)



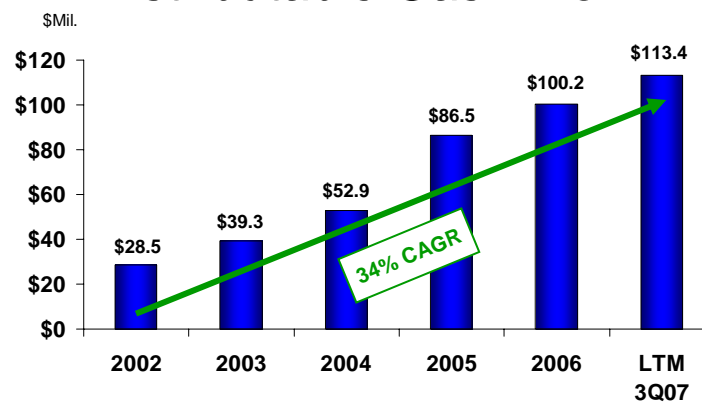
Appendix

Solid Track Record of Growth

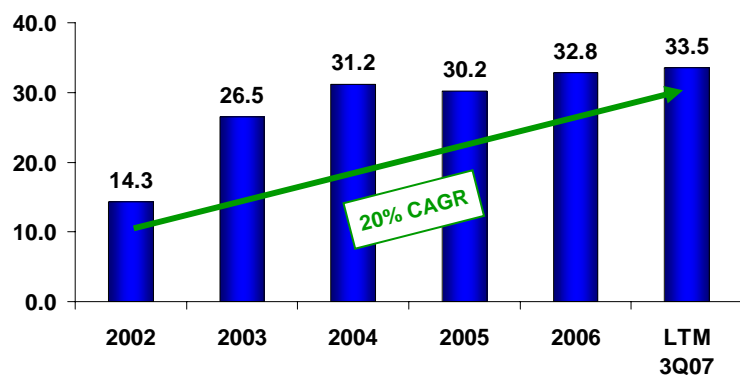
EBITDA by Segment



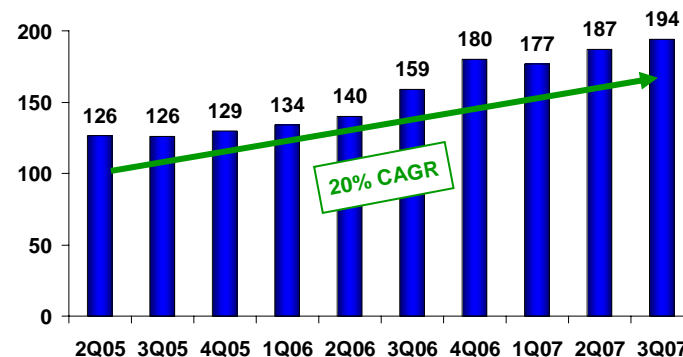
Distributable Cash Flow



Coal Production (MM tons)



Inlet Volumes (MMcf/d)





Snapshots of PVR and PVG

PVR - Selected Market Information

| Exchange – Ticker | NYSE – PVR |
|--|----------------------------|
| Limited Partner Units Outstanding (MM) | 46.1 |
| Recent Price per Share (11/12/07) | \$26.25 ¹ |
| 52-Week per Share Price Range (11/12/07) | \$23.58-32.90 ¹ |
| Avg. Daily Shares Trading Volume (3-Mo.) | 69,632 |
| Market Capitalization (\$MM) | \$1,210 |
| Total Enterprise Value (\$MM) | \$1,571 ² |
| Current Annualized Distribution / Yield | \$1.72 / 6.55% |

PVR - Selected Financial Information

| | |
|------------------------------------|-------|
| Cash (\$MM) | \$3 |
| Total Assets (\$MM) | \$849 |
| Total Debt (\$MM) | \$364 |
| Partners' Capital (\$MM) | \$389 |
| Total Capitalization | \$753 |
| LTM EBITDA (\$MM) | \$147 |
| LTM Operating Income (\$MM) | \$107 |
| Net Debt / Net Book Capitalization | 48% |
| Total Debt / LTM EBITDA | 2.5x |

PVG - Selected Market Information

| Exchange – Ticker | NYSE – PVG |
|--|----------------------------|
| Limited Partner Units Outstanding (MM) | 39.1 |
| Recent Price per Share (11/12/07) | \$29.97 ¹ |
| 52-Week per Share Price Range (11/12/07) | \$18.00-40.74 ¹ |
| Avg. Daily Shares Trading Volume (3-Mo.) | 31,380 |
| Market Capitalization (\$MM) | \$1,171 |
| Total Enterprise Value (\$MM) | \$1,160 ² |
| Current Annualized Distribution / Yield | \$1.20 / 4.00% |

PVG - Selected Financial Information³

| | |
|--|-------|
| Cash (\$MM) | \$14 |
| Total Assets (\$MM) | \$860 |
| Total PVR Debt (\$MM) | \$364 |
| Minority Interest (\$MM) | \$171 |
| Partners' Capital (\$MM) | \$229 |
| Total Capitalization (\$MM) | \$764 |
| LTM EBITDA (\$MM) | \$145 |
| LTM Operating Income (\$MM) | \$105 |
| Net PVR Debt / Net Book Capitalization | 47% |
| Total PVR Debt / LTM EBITDA | 2.5x |

¹ Source: *The Wall Street Journal*; Yahoo! Finance

² Market capitalization plus recourse long-term debt, less actual cash

³ Includes results of predecessor entity and consolidated financial statements with PVR

Strong Long-Term Outlook for Coal

Coal: Fuel of Choice for U.S. Power

- U.S. has the world's largest known coal reserve base
- Power generation consumes >90% of coal

Relentlessly Growing Demand ...

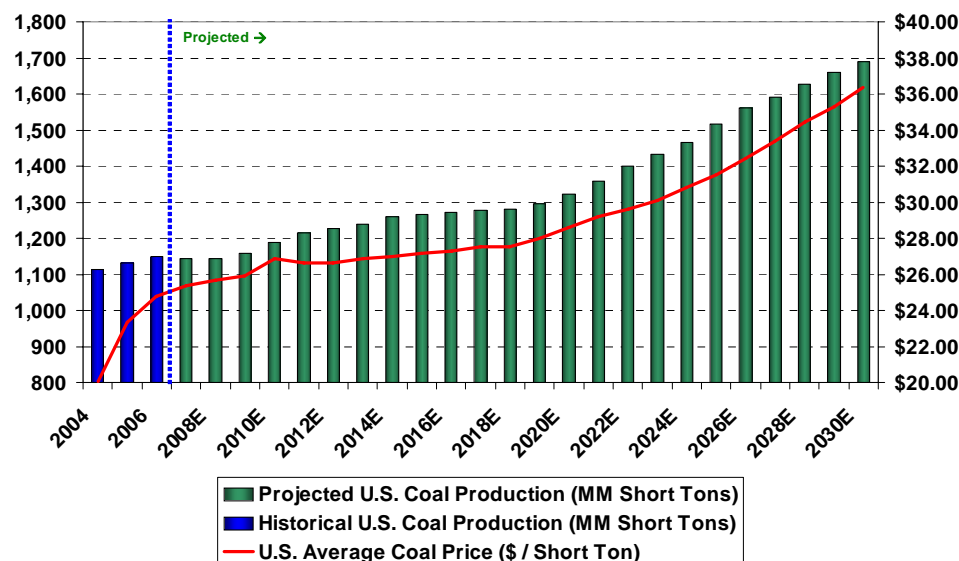
- Power demand has grown in 48 of last 51 years
- Tech. boom in 1990s made U.S. power hungry
- Coal-fired plants generate ~50% of U.S. power
- Primary fuel for base load power generation
- Nuclear and hydro base load power at capacity
- Coal not at capacity and more plants on the way
- Most planned plants will be coal-fired
- Gas-fired plants cheaper to build per MMBtu
- Coal-fired plants cheaper to operate per MMBtu
- Most gas plants built recently are for peaking power

... But Supply Exists

- Decades of proved reserves are available
- ~236 years of supply left at current consumption levels
- Unlike oil and gas, little need for exploration / less foreign dependence
- Coal has high barriers to entry and geology can be difficult
- Lowest fuel cost due to abundance & ease of extraction
- Coal benefits from price spikes in volatile competing fuels; alternative fuels are expensive / infeasible
- Expected increase in "scrubber" use will result in greater supply at attractive cost (e.g., Illinois Basin)

Result: Future Coal Production & Prices Projected to Rise

2004 - 2030 Historical and Projected Coal Data



Source: Energy Information Administration (DOE)



Unitholder Tax Benefits

- **Distributions are Treated as Non-Taxable Returns of Capital**
- **Income Generated by PVG is Taxable at the Unitholder Level**
- **Coal Royalty Revenue is Taxed as Long-Term Capital Gains**
- **Revenue Generated by PVG is Sheltered Due to Depletion Deductions**
 - PVR “tax shield” or non-taxable portion of distribution expected to be 70% - 80%
 - PVG tax shield expected to be approximately 70%
- **Depletion is Not “Recaptured” Upon Sale of the Units**
- **Sale of Units After 1-Year Holding Period Results in Capital Gains Treatment**



Forward-Looking 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. 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: Penn Virginia Resource Partners, L.P.’s (“PVR”) ability to generate sufficient cash from its natural gas midstream and coal and natural resource management businesses to pay the minimum quarterly distribution to its general partner and its unitholders; energy prices generally and specifically, the price of coal, natural gas and NGLs; the relationship between natural gas and NGL prices; the price of coal and its comparison to the price of natural gas; the volatility of commodity prices for coal, natural gas, and NGLs; the projected demand for coal, natural gas, and NGLs; the projected supply of coal, natural gas, and NGLs; PVR’s ability to acquire new coal reserves or natural gas midstream assets on satisfactory terms; the price for which PVR can acquire coal reserves; PVR’s ability to continually find and contract for new sources of natural gas supply; PVR’s ability to retain existing or acquire new natural gas midstream customers; PVR’s ability to lease new and existing coal reserves; the ability of PVR’s lessees to produce sufficient quantities of coal on an economic basis from its reserves; the ability of PVR’s lessees to obtain favorable contracts for coal produced from its reserves; competition among producers in the coal industry generally and among natural gas midstream companies; PVR’s exposure to the credit risk of our coal lessees and natural gas midstream customers; the extent to which the amount and quality of PVR’s actual production differ from its estimated recoverable proved coal reserves; hazards or operating risks incidental to natural gas midstream operations; unanticipated geological problems; the dependence of PVR’s natural gas midstream business on having connections to third party pipelines; the availability of production equipment and materials; the occurrence of unusual weather or operating conditions including force majeure events; the failure of PVR’s infrastructure and PVR’s lessees’ mining equipment or processes to operate in accordance with specifications or expectations; delays in anticipated start-up dates of PVR’s lessees’ mining operations and related coal infrastructure projects; environmental risks affecting the mining of coal reserves or the production, gathering and processing of natural gas; the timing of receipt of necessary governmental permits by PVR or its lessees; the risks associated with having or not having price risk management programs; labor relations and costs; accidents; changes in governmental regulation or enforcement practices, especially with respect to environmental, health and safety matters, including with respect to emissions levels applicable to coal-burning power generators; uncertainties relating to the outcome of current and future litigation regarding mine permitting; risks and uncertainties relating to general domestic and international economic (including inflation and interest rates) and political conditions (including the impact of potential terrorist attacks); the experience and financial condition of PVR’s coal lessees and natural gas midstream customers, including their ability to satisfy their royalty, environmental, reclamation and other obligations to PVR and others; PVR’s ability to expand its natural gas midstream business by constructing new gathering systems, pipelines and processing facilities on an economic basis and in a timely manner; risks related to timber operations or the coal handling joint venture; and changes in financial market conditions.

Additional information concerning these and other factors can be found in PVR’s and Penn Virginia GP Holdings L.P.’s (“PVG”) press releases and public periodic filings with the Securities and Exchange Commission, including PVR’s and PVG’s Annual Reports on Form 10-K for the year ended December 31, 2006 and subsequently filed interim reports. Many of the factors that will determine PVR’s and PVG’s 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. PVR and PVG 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, unless the securities laws require us to do so.