ASCENT RESOURCES UTICA HOLDINGS, LLC REPORTS FIRST QUARTER OPERATING AND FINANCIAL RESULTS

First Quarter Highlights:

- Averaged net production of 2.2 bcfe per day, a 12% increase over the first quarter of 2022
- Realized pre-hedge natural gas equivalent price of $3.64 per mcfe, a $0.22 per mcfe premium to NYMEX pricing
- Reported Net Income and Adjusted Net Income(1) of $1.1 billion and $112 million, respectively
- Generated Net Cash from Operating Activities of $371 million and Adjusted EBITDAX(1) of $350 million
- Adjusted Free Cash Flow(1) was $25 million for the quarter

Post-Quarter End Highlights:

- Prepaid the entirety of the Second Lien Term Loan due 2025 in May, simplifying the capital structure while extending our maturity profile and reducing interest expense
- Issued $213 million of 8.25% senior notes due 2028 in an add-on offering in May with proceeds used to repay borrowings under our revolving credit facility
- Reaffirmed the borrowing base and elected commitment amount under the credit facility at $3.0 billion and $2.0 billion, respectively, in April

(1) A non-GAAP financial measure. See the non-GAAP reconciliations included in this press release for the definition of, and other important information regarding, this non-GAAP financial measure.

Oklahoma City, Oklahoma, May 11, 2023 (PR Newswire) – Ascent Resources Utica Holdings, LLC (“Ascent”, "our" or the "Company") today reported its first quarter 2023 operating and financial results. Additionally, Ascent announced a conference call with analysts and investors scheduled for 9 AM CT / 10 AM ET, Friday, May 12, 2023. For more detailed information on Ascent, please refer to the latest investor presentation and additional information located on our website at https://www.ascentresources.com/investors.

Commenting on the first quarter results, Ascent's Chairman and Chief Executive Officer, Jeff Fisher said, “We had another strong and steady quarter of operational and financial results despite the ongoing commodity price volatility. Operationally, we maintained a consistent and balanced development cadence that allowed us to maintain production while substantially increasing our liquids volumes. The growth in our oil volumes this past quarter helped to offset some of the impact of the depressed natural gas prices, increasing our cash margins and contributing to the $25 million of Adjusted Free Cash Flow that we generated."

Fisher continued, "I am also pleased to announce that we successfully refinanced our $550 million Second Lien Term Loan. This refinancing reaffirms our disciplined financial strategy that is focused on simplifying the balance sheet and managing our debt maturity profile. We remain committed to reducing our absolute debt over the next several years while continuing to increase equity value for our shareholders."

First Quarter 2023 Financial Results

First quarter 2023 net production averaged 2,198 mmcfe per day, consisting of 2,038 mmcf per day of natural gas, 10,356 bbls per day of oil and 16,256 bbls per day of natural gas liquids ("NGL").

First quarter 2023 price realizations, including the impact of settled commodity derivatives, were $3.30 per mcfe. Excluding the impact of settled commodity derivatives, price realizations were $3.64 per mcfe in the first quarter of 2023.

For the first quarter of 2023, Ascent reported net income of $1.1 billion, Adjusted Net Income of $112 million and Adjusted EBITDAX of $350 million. Ascent incurred $275 million of total capital expenditures in the first quarter of 2023 consisting of $239 million of D&C costs, $26 million of land and leasehold costs, and $10 million of capitalized interest. The Company generated $25 million of Adjusted Free Cash Flow during the three months ended March 31, 2023, despite commodity hedge loss settlements of approximately $67 million.

Balance Sheet and Liquidity

As of March 31, 2023, Ascent had total debt of approximately $2.4 billion, with $335 million of borrowings and $168 million of letters of credit issued under the credit facility. Liquidity as of March 31, 2023 was approximately $1.5 billion, comprised of $1.5 billion of available borrowing capacity under the credit facility and $7 million of cash on hand. Our leverage ratio at the end of the quarter was 1.4x based on an LTM Adjusted EBITDAX basis.

Subsequent to quarter end, the Company continued to improve its financial profile through a series of transactions aimed at simplifying the balance sheet and optimizing the debt maturity profile. In May 2023, Ascent prepaid the entirety of the 2025 Second Lien Term Loan, utilizing borrowings under the credit facility. The Company also issued an additional $213 million in aggregate principal amount of its existing 8.25% Senior Notes due 2028, bringing the total outstanding principal amount to $513 million, to repay borrowings under the credit facility. Additionally, in April, Ascent reaffirmed its borrowing base and commitment amount under the credit facility at $3.0 billion and $2.0 billion, respectively, pursuant to the scheduled semi-annual borrowing base redetermination.

Operational Update

During the first quarter of 2023, we spud 19 operated wells, hydraulically fractured 19 wells, and turned-in-line 12 wells with an average lateral length of approximately 15,500 feet. As of March 31, 2023, Ascent had 823 gross operated producing Utica wells.

Hedging Update

Ascent has significant hedges in place in order to reduce exposure to the volatility in commodity prices, as well as to protect our expected operating cash flow. As of March 31, 2023, Ascent had hedged 1,447,000 mmbtu per day of natural gas production in 2023 at an average downside price of $3.19 per mmbtu. In addition, Ascent had also hedged 6,000 bbls per day of crude oil production at an average price of $72.30 per bbl in 2023. We also have significant commodity hedges in place in 2024 through 2026, as well as basis hedges to limit exposure to price volatility at our actual sales points (please reference our financial statements for additional detail).

About Ascent Resources

Ascent is one of the largest private producers of natural gas in the United States and is focused on acquiring, developing, and operating natural gas and oil properties located in the Utica Shale in southern Ohio. With a continued focus on good corporate citizenship, Ascent is committed to delivering clean-burning, affordable energy to our country and the world, while reducing environmental impacts.

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This news release contains forward-looking statements within the meaning of US federal securities laws. Forward-looking statements express views of Ascent regarding future plans and expectations. Forward-looking statements in this news release include, but are not limited to, statements regarding future operations, business strategy, liquidity and cash flows of Ascent. These statements are based on numerous assumptions and are subject to known and unknown risks and uncertainties, including, commodity price volatility, inherent uncertainty in estimating natural gas, oil and NGL reserves, environmental and regulatory risks, availability of capital, and the other risks described in Ascent's most recent investor presentation provided at www.ascentresources.com/investors. Actual future results may vary materially from those expressed or implied in this news release and Ascent's business, financial condition, results of operations and cash flow could be materially and adversely affected by such risks and uncertainties. As a result, forward-looking statements should be understood to be only predictions and statements of Ascent's current beliefs; they are not guarantees of performance.

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

($ in thousands)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Revenues:		
Natural gas	$ 611,560	$ 812,878
Oil	63,993	54,366
NGL	43,741	69,497
Commodity derivative gain (loss)	921,649	(1,995,560)
Total Revenues	1,640,943	(1,058,819)
Operating Expenses:		
Lease operating expenses	33,650	25,407
Gathering, processing and transportation expenses	240,292	233,545
Taxes other than income	11,497	10,522
Exploration expenses	607	18,409
General and administrative expenses	16,493	19,843
Depreciation, depletion and amortization	183,039	152,279
Total Operating Expenses	485,578	460,005
Income (Loss) from Operations	1,155,365	(1,518,824)
Other Income (Expense):		
Interest expense, net	(55,335)	(44,965)
Change in fair value of contingent payment right	3,880	(7,980)
Other income	536	682
Total Other Expense	(50,919)	(52,263)
Net Income (Loss)	$ 1,104,446	$(1,571,087)

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

($ in thousands)	March 31, 2023	December 31, 2022
Current Assets:		
Cash and cash equivalents	$ 7,180	$ 3,894
Accounts receivable – natural gas, oil and NGL sales	254,399	530,385
Accounts receivable – joint interest and other	46,995	35,340
Short-term derivative assets	123,384	14,061
Other current assets	11,019	12,597
Total Current Assets	442,977	596,277
Property and Equipment:		
Natural gas and oil properties, based on successful efforts accounting	10,832,461	10,558,533
Other property and equipment	41,038	39,641
Less: accumulated depreciation, depletion and amortization	(4,083,459)	(3,900,730)
Property and Equipment, net	6,790,040	6,697,444
Other Assets:		
Long-term derivative assets	14,126	6,081
Other long-term assets	43,062	44,117
Total Assets	$ 7,290,205	$ 7,343,919
Current Liabilities:		
Accounts payable	$ 84,905	$ 77,753
Accrued interest	57,343	50,375
Short-term derivative liabilities	93,004	684,204
Other current liabilities	522,391	771,062
Total Current Liabilities	757,643	1,583,394
Long-Term Liabilities:		
Long-term debt, net	2,444,189	2,475,222
Long-term derivative liabilities	216,399	495,464
Other long-term liabilities	109,252	113,061
Total Long-Term Liabilities	2,769,840	3,083,747
Member's Equity	3,762,722	2,676,778
Total Liabilities and Member's Equity	$ 7,290,205	$ 7,343,919

ASCENT RESOURCES UTICA HOLDINGS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

($ in thousands)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Cash Flows from Operating Activities:		
Net income (loss)	$ 1,104,446	$ (1,571,087)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, depletion and amortization	183,039	152,279
(Gain) loss on commodity derivatives	(921,649)	1,995,560
Settlements of commodity derivatives	(66,818)	(367,163)
Impairment of unproved natural gas and oil properties	—	17,858
Non-cash interest expense	5,977	3,121
Long-term incentive compensation	(646)	875
Change in fair value of contingent payment right	(3,880)	7,980
Other	54	—
Changes in operating assets and liabilities	70,395	42,607
Net Cash Provided by Operating Activities	370,918	282,030
Cash Flows from Investing Activities:		
Natural gas and oil capital expenditures	(259,916)	(245,845)
Additions to other property and equipment	(1,059)	(589)
Net Cash Used in Investing Activities	(260,975)	(246,434)
Cash Flows from Financing Activities:		
Proceeds from credit facility borrowings	510,000	845,000
Repayment of credit facility borrowings	(545,000)	(880,000)
Cash paid for settlements of commodity derivatives	(53,530)	—
Distribution to Member	(17,856)	—
Other	(271)	(216)
Net Cash Used in Financing Activities	(106,657)	(35,216)
Net Increase in Cash and Cash Equivalents	3,286	380
Cash and Cash Equivalents, Beginning of Period	3,894	5,674
Cash and Cash Equivalents, End of Period	$ 7,180	$ 6,054

ASCENT RESOURCES UTICA HOLDINGS, LLC
NATURAL GAS, OIL AND NGL PRODUCTION AND PRICES
(Unaudited)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net Production Volumes:		
Natural gas (mmcf)	183,444	163,886
Oil (mbbls)	932	624
NGL (mbbls)	1,463	1,391
Natural Gas Equivalents (mmcfe)	197,811	175,980
Average Daily Net Production Volumes:		
Natural gas (mmcf/d)	2,038	1,821
Oil (mbbls/d)	10	7
NGL (mbbls/d)	16	15
Natural Gas Equivalents (mmcfe/d)	2,198	1,955
% Natural Gas	93 %	93 %
% Liquids	7 %	7 %
Average Sales Prices:		
Natural gas ($/mcf)	$ 3.33	$ 4.96
Oil ($/bbl)	$ 68.71	$ 87.13
NGL ($/bbl)	$ 29.90	$ 49.96
Natural Gas Equivalents ($/mcfe)	$ 3.64	$ 5.32
Settlements of commodity derivatives ($/mcfe)	(0.34)	(2.09)
Average sales price, after effects of settled derivatives ($/mcfe)	$ 3.30	$ 3.23

ASCENT RESOURCES UTICA HOLDINGS, LLC
CAPITAL EXPENDITURES INCURRED
(Unaudited)

($ in thousands)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Capital Expenditures Incurred:		
Drilling and completion costs incurred	$ 239,232	$ 198,378
Land and leasehold costs incurred	26,185	31,236
Capitalized interest incurred	10,270	9,999
Total Capital Expenditures Incurred	$ 275,687	$ 239,613

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED NET INCOME (LOSS)
(Unaudited)

($ in thousands)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net Income (Loss) (GAAP)	$ 1,104,446	$(1,571,087)
Adjustments to reconcile net income (loss) to Adjusted Net Income:		
(Gain) loss on commodity derivatives	(921,649)	1,995,560
Commodity derivative settlements	(66,818)	(367,163)
Unrealized (gain) loss on interest rate derivatives	835	(1,738)
Change in fair value of contingent payment right	(3,880)	7,980
Long-term incentive compensation	(646)	875
Impairment of unproved natural gas and oil properties	—	17,858
Other operating benefits	—	(1,784)
Adjusted Net Income (Non-GAAP)[a][b]	$ 112,288	$ 80,501

[a] As shown above and on the following pages, Ascent uses Adjusted Net Income (Loss), Adjusted EBITDAX, Last Twelve Months ("LTM") Adjusted EBITDAX, Net Debt, and Adjusted Free Cash Flow (non-GAAP measures) as supplemental measures to evaluate the performance of its assets. Ascent believes these non-GAAP measures provide meaningful information to our investors and lenders, as discussed below. These non-GAAP measures, as used and defined by Ascent, are not measures of performance as determined by United States generally accepted accounting principles (US GAAP) and may not be comparable to similarly titled measures employed by other companies.

Non-GAAP measures should not be considered in isolation or as substitutes for operating income, net income or loss, cash flows provided by or used in operating, investing and financing activities or other income or cash flow statement data prepared in accordance with GAAP. Non-GAAP measures provide no information regarding a company's capital structure, borrowings, interest costs, capital expenditures and working capital movement. Non-GAAP measures do not represent funds available for discretionary use because those funds may be required for debt service, capital expenditures, working capital, exploration expenses and other commitments and obligations. However, Ascent's management team believes these non-GAAP measures are useful to an investor in evaluating Ascent's financial performance because these measures:

- are widely used by investors in the natural gas and oil industry to measure a company's operating performance without regard to items excluded from the calculation of such terms, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired, among other factors;
- are more comparable to estimates used by analysts;
- help investors to more meaningfully evaluate and compare the results of Ascent's operations from period to period by removing the effect of its capital structure from its operating structure;
- excludes one-time items, non-cash items or items whose timing or amount cannot be reasonably estimated; and
- are used by Ascent's management team for various purposes, including as a measure of operating performance, in presentations to its Board of Managers and as a basis for strategic planning and forecasting.

There are significant limitations to using non-GAAP measures as measures of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect Ascent's net income or loss, the lack of comparability of results of operations of different companies, and the different methods of calculating non-GAAP measures reported by different companies.

[b] Ascent defines "Adjusted Net Income (Loss)" as net income (loss) before impairment of unproved natural gas and oil properties; the revenue impact of changes in the fair value of commodity derivative instruments prior to settlement; unrealized (gain) loss on interest rate derivatives; change in fair value of contingent payment right; long-term incentive compensation; (gains) losses on purchases or exchanges of debt; and other operating expenses including changes in legal reserves, settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted Net Income is a supplemental measure of operating performance monitored by management that is not defined under GAAP and does not represent, and should not be considered as, an alternative to net income (loss), as determined by GAAP.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED EBITDAX AND NET DEBT
(Unaudited)

Adjusted EBITDAX

($ in thousands)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net Income (Loss) (GAAP)	$ 1,104,446	$(1,571,087)
Adjustments to reconcile net income (loss) to Adjusted EBITDAX:		
Exploration expenses	607	18,409
Depreciation, depletion and amortization	183,039	152,279
Interest expense, net	55,335	44,965
(Gain) loss on commodity derivatives	(921,649)	1,995,560
Commodity derivative settlements	(66,818)	(367,163)
Change in fair value of contingent payment right	(3,880)	7,980
Long-term incentive compensation	(646)	875
Other operating benefits	—	(1,784)
Adjusted EBITDAX (Non-GAAP)[a][b]	$ 350,434	$ 280,034

[a] See footnote (a) on the Reconciliations of Adjusted Net Income (Loss) for a discussion of our uses of non-GAAP measures.

[b] Ascent defines "Adjusted EBITDAX" as net income (loss) before exploration expenses; depreciation, depletion and amortization; interest expense, net; the revenue impact of changes in the fair value of commodity derivative instruments prior to settlement; change in fair value of contingent payment right; long-term incentive compensation; (gains) losses on purchases or exchanges of debt; and other operating expenses including changes in legal reserves, settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted EBITDAX is a supplemental measure of operating performance monitored by management that is not defined under GAAP and does not represent, and should not be considered as, an alternative to net income (loss), as determined by GAAP.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED EBITDAX AND NET DEBT (CONTINUED)
(Unaudited)

LTM Adjusted EBITDAX

	Three Months Ended				Twelve Months Ended
($ in thousands)	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2023
Net Income (GAAP)	$ 1,104,446	$ 1,600,999	$ 46,540	$ 284,927	$ 3,036,912
Adjustments to reconcile net income to Adjusted EBITDAX:					
Exploration expenses	607	3,353	15,365	12,015	31,340
Depreciation, depletion and amortization	183,039	181,519	192,484	149,771	706,813
Interest expense, net	55,335	57,426	57,553	49,787	220,101
(Gain) loss on commodity derivatives	(921,649)	(993,155)	1,100,991	584,421	(229,392)
Commodity derivative settlements[a]	(66,818)	(473,217)	(856,004)	(603,555)	(1,999,594)
Change in fair value of contingent payment right	(3,880)	1,955	(3,656)	(2,977)	(8,558)
Long-term incentive compensation	(646)	8,780	8,914	4,176	21,224
Other operating benefits	—	(59)	(3,352)	(1,565)	(4,976)
Adjusted EBITDAX (Non-GAAP)[b][c]	$ 350,434	$ 387,601	$ 558,835	$ 477,000	$ 1,773,870

	Three Months Ended				Twelve Months Ended
($ in thousands)	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2022
Net Income (Loss) (GAAP)	$(1,571,087)	$ 1,110,012	$ (1,256,435)	$ (616,942)	$(2,334,452)
Adjustments to reconcile net income (loss) to Adjusted EBITDAX:					
Exploration expenses	18,409	26,061	22,274	16,539	83,283
Depreciation, depletion and amortization	152,279	159,286	151,902	147,763	611,230
Interest expense, net	44,965	47,034	44,996	41,353	178,348
(Gain) loss on commodity derivatives	1,995,560	(532,585)	1,512,044	665,763	3,640,782
Commodity derivative settlements	(367,163)	(534,216)	(227,286)	(41,003)	(1,169,668)
Change in fair value of contingent payment right	7,980	(407)	1,544	13,338	22,455
Losses on purchases or exchanges of debt	—	—	—	3,822	3,822
Long-term incentive compensation	875	815	816	902	3,408
Other operating expenses (benefits)	(1,784)	7,219	—	—	5,435
Adjusted EBITDAX (Non-GAAP)[b][c]	$ 280,034	$ 283,219	$ 249,855	$ 231,535	$ 1,044,643

[a] Excludes the one-time payment of $300 million in April 2022 to restructure a portion of our May through December 2022 natural gas swaps, resulting in an increase of our weighted average strike prices for these periods.

[b] See footnote (a) on the Reconciliations of Adjusted Net Income (Loss) for a discussion of our uses of non-GAAP measures.

[c] Ascent defines "Adjusted EBITDAX" as net income (loss) before exploration expenses; depreciation, depletion and amortization; interest expense, net; the revenue impact of changes in the fair value of commodity derivative instruments prior to settlement; change in fair value of contingent payment right; long-term incentive compensation; (gains) losses on purchases or exchanges of debt; and other operating expenses including changes in legal reserves, settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted EBITDAX is a supplemental measure of operating performance monitored by management that is not defined under GAAP and does not represent, and should not be considered as, an alternative to net income (loss), as determined by GAAP.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED EBITDAX AND NET DEBT (CONTINUED)
(Unaudited)

Net Debt and Net Debt to LTM Adjusted EBITDAX

($ in thousands)	March 31, 2023	March 31, 2022
Net Debt:		
Total debt	$ 2,444,189	$ 2,556,825
Less: cash and cash equivalents	7,180	6,054
Net Debt[a]	$ 2,437,009	$ 2,550,771
Net Debt to LTM Adjusted EBITDAX:		
Net Debt[a]	$ 2,437,009	$ 2,550,771
LTM Adjusted EBITDAX (Non-GAAP)[b]	$ 1,773,870	$ 1,044,643
Net Debt to LTM Adjusted EBITDAX[c]	1.37 x	2.44 x

(a) Ascent defines "Net Debt" as total debt less cash and cash equivalents. Management uses Net Debt to determine our outstanding debt obligations that would not be readily satisfied by our cash and cash equivalents on hand. Net Debt does not represent, and should not be considered as, an alternative to total debt, as determined by GAAP.

(b) Refer to our Reconciliations of Adjusted EBITDAX and Net Debt for more details regarding our LTM Adjusted EBITDAX calculations. Only includes impact of XTO acquisition since August 5, 2022.

(c) Our Net Debt to LTM Adjusted EBITDAX was 1.35x as of March 31, 2023 when including the full-year EBITDAX impact of the XTO acquisition, as provided by our debt covenant calculations.

ASCENT RESOURCES UTICA HOLDINGS, LLC
RECONCILIATIONS OF ADJUSTED FREE CASH FLOW
(Unaudited)

($ in thousands)	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
Net Cash Provided by Operating Activities (GAAP)	$ 370,918	$ 282,030
Adjustments to reconcile Net Cash Provided by Operating Activities to Adjusted Free Cash Flow:		
Changes in operating assets and liabilities	(70,395)	(42,607)
Drilling and completion costs incurred	(239,232)	(198,378)
Land and leasehold costs incurred	(26,185)	(31,236)
Capitalized interest incurred	(10,270)	(9,999)
Other operating benefits	—	(1,784)
Adjusted Free Cash Flow (Non-GAAP)[a][b]	$ 24,836	$ (1,974)

(a) See footnote (a) on the Reconciliations of Adjusted Net Income (Loss) for a discussion of our uses of non-GAAP measures.

(b) Adjusted Free Cash Flow is an indicator of a company's ability to generate funding to maintain or expand its asset base, make distributions and repurchase or extinguish debt. Ascent defines "Adjusted Free Cash Flow" as net cash provided by operating activities adjusted for changes in operating assets and liabilities; drilling and completion costs incurred; land and leasehold costs incurred; capitalized interest incurred; financing commodity derivative settlements; and certain other operating expenses including changes in legal reserves, including settlements and other items which affect the comparability of results or that are not indicative of trends in the ongoing business. Adjusted Free Cash Flow is a supplemental measure of liquidity monitored by management that is not defined under GAAP and that does not represent, and should not be considered as, an alternative to net cash provided by operating activities, as determined by GAAP.