



ASCENT RESOURCES UTICA HOLDINGS, LLC REPORTS FOURTH QUARTER AND FULL-YEAR 2022 OPERATING AND FINANCIAL RESULTS AND ISSUES INITIAL 2023 GUIDANCE

Fourth Quarter and Full-Year 2022 Highlights:

- Averaged net production of 2.2 bcfe per day for the quarter and 2.1 bcfe per day for the year
- Reported Net Income and Adjusted Net Income⁽¹⁾ of \$1.6 billion and \$148 million for the quarter, and \$361 and \$813 million for the year, respectively
- Realized Adjusted EBITDAX⁽¹⁾ of \$388 million for the quarter and more than \$1.7 billion for the year
- Generated \$106 million of Adjusted Free Cash Flow⁽¹⁾ during the quarter and a record \$541 million in 2022
- Reduced total debt by over \$434 million during the quarter, ending the year with leverage of 1.4x⁽²⁾ and liquidity of nearly \$1.5 billion
- Reported year-end 2022 total proved reserves of 8.9 Tcfe with a PV-10 value in excess of \$19 billion⁽³⁾
- Reduced methane emissions intensity by over 50% during 2022 through operational improvements in the field
- Provided initial 2023 guidance with maintenance production of 2.0 to 2.1 bcfe per day

⁽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.

⁽²⁾ Includes the full-year Adjusted EBITDAX impact of the XTO acquisition

⁽³⁾ SEC pricing

Oklahoma City, Oklahoma, March 9, 2023 (PR Newswire) – Ascent Resources Utica Holdings, LLC ("Ascent", "our" or the "Company") today reported its fourth quarter and full-year 2022 operating and financial results as well as initial 2023 guidance. Additionally, Ascent announced a conference call with analysts and investors scheduled for 9 AM CT / 10 AM ET, Friday, March 10, 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 quarter and full-year 2022 results, Ascent's Chairman and Chief Executive Officer, Jeff Fisher said, "We ended the year on an extremely strong note, averaging nearly 2.2 bcfe/d of production in the fourth quarter, despite significant weather related impacts during the last week of December. Execution in the field translated directly to our financial results, allowing us to generate a record \$541 million of Adjusted Free Cash Flow in 2022, marking our third consecutive year of positive free cash flow."

Fisher continued, "Moving into the new year, our strategy remains steadfast with a focus on capital discipline and cash flow generation. We are well positioned to weather the recent market volatility, with our balance sheet and hedge position providing near-term support while allowing us to generate sustainable free cash flow. Our diligent, thoughtful and measured approach to both development and financial strategy allows us to create differentiated value for our shareholders."

Fourth Quarter 2022 Financial Results

Fourth quarter 2022 net production averaged 2,180 mmcf per day, consisting of 2,026 mmcf per day of natural gas, 8,902 bbls per day of oil and 16,728 bbls per day of natural gas liquids ("NGL").

Fourth quarter 2022 price realizations, including the impact of settled commodity derivatives, were \$3.41 per mcfe. Excluding the impact of settled commodity derivatives, price realizations were \$5.77 per mcfe in the fourth quarter of 2022.

For the fourth quarter of 2022, Ascent reported net income of \$1.6 billion, Adjusted Net Income of \$148 million and Adjusted EBITDAX of \$388 million. Ascent incurred \$229 million of total capital expenditures in the fourth quarter of 2022 consisting of \$201 million of D&C costs, \$17 million of land and leasehold costs, and \$11 million of capitalized interest. The Company generated \$106 million of Adjusted Free Cash Flow during the three months ended December 31, 2022, despite commodity hedge loss settlements of approximately \$473 million.

Full-Year 2022 Financial Results

Net production for the year ended December 31, 2022 averaged 2,113 mmcfe per day, consisting of 1,971 mmcf per day of natural gas, 7,710 bbls per day of oil and 15,874 bbls per day of NGLs.

Price realizations, including the impact of settled commodity derivatives, were \$3.75 per mcfe for the year ended December 31, 2022. Excluding the impact of settled commodity derivatives, price realizations for the year were \$6.73 per mcfe.

For the year ended December 31, 2022, Ascent reported net income of \$361 million, Adjusted Net Income of \$813 million and Adjusted EBITDAX of \$1.7 billion. Ascent incurred a total of \$970 million of capital expenditures during the twelve months ended December 31, 2022 consisting of \$830 million of D&C costs, \$96 million of land and leasehold costs, and \$44 million of capitalized interest. The Company generated \$541 million of Adjusted Free Cash Flow during the year ended December 31, 2022, despite commodity hedge loss settlements of approximately \$2.3 billion.

Balance Sheet and Liquidity

As of December 31, 2022, Ascent had total debt of approximately \$2.5 billion, with \$370 million of borrowings and \$169 million of letters of credit issued under the credit facility. Liquidity as of December 31, 2022 was approximately \$1.5 billion, comprised of \$1.5 billion of available borrowing capacity under the credit facility and \$4 million of cash on hand. Our leverage ratio at the end of the year was 1.5x based on an LTM Adjusted EBITDAX basis.

Operational Update

During the fourth quarter of 2022, we spud 17 operated wells, hydraulically fractured 17 wells, and turned-in-line 28 wells with an average lateral length of approximately 12,000 feet. For the full-year period Ascent spud 75 operated wells, hydraulically fractured 75 wells, and turned-in-line 82 wells with an average lateral length of approximately 13,400 feet. As of December 31, 2022, Ascent had 811 gross operated producing Utica wells.

2022 Year-End Reserves

Ascent reported year-end 2022 proved reserves, under SEC guidelines, of 8.87 tcf, of which 63% were classified as proved developed and 37% as proved undeveloped. The 2022 drill-bit F&D costs for undeveloped reserves were \$0.50 per mcfe. A summary of the changes in Ascent's proved reserves for the full-year 2022 can be found in our financial statements.

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 December 31, 2022, Ascent had hedged 1,395,000 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).

Initial 2023 Guidance

The Company expects its full-year 2023 capital budget to come in between \$920 million and \$955 million, and to be fully funded with operating cash flow. A detailed summary including production, differentials, expenses and operational counts is included in the table below:

| Initial 2023 Guidance | |
|---|---------------------|
| Production | |
| Total Production (mmcf/d) | 2,000 - 2,100 |
| % Natural Gas | 89% - 91% |
| Differentials | |
| Natural Gas (\$/mcf) | (\$0.25) - (\$0.15) |
| Crude Oil (\$/bbl) | (\$9.00) - (\$8.00) |
| NGL (% of WTI) | 32.5% - 37.5% |
| Operating Expenses | |
| Total Operating Expense ⁽¹⁾ | \$1.45 - \$1.55 |
| G&A ⁽²⁾ | \$0.08 - \$0.09 |
| Capital Expenditures Incurred (\$mm)⁽³⁾ | |
| D&C | \$800 - \$825 |
| Land | \$120 - \$130 |
| Operations / Well Counts | |
| Operated Rigs | 3.5 - 4.0 |
| Wells Spud | 70 - 75 |
| Average Lateral Length | 14,500' |

⁽¹⁾ Includes GP&T, LOE, and Taxes Other than Income

⁽²⁾ Excludes long-term incentive compensation expense

⁽³⁾ Excludes capitalized interest

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
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

| <i>(\$ in thousands)</i> | Three Months Ended | | Year Ended | |
|---|--------------------|--------------|--------------|--------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Revenues: | | | | |
| Natural gas | \$ 1,047,484 | \$ 975,911 | \$ 4,700,531 | \$ 2,510,150 |
| Oil | 62,182 | 51,841 | 246,866 | 188,076 |
| NGL | 46,757 | 68,982 | 239,071 | 241,731 |
| Commodity derivative gain (loss) | 993,155 | 532,585 | (2,687,817) | (1,743,892) |
| Total Revenues | 2,149,578 | 1,629,319 | 2,498,651 | 1,196,065 |
| Operating Expenses: | | | | |
| Lease operating expenses | 27,640 | 22,499 | 101,659 | 81,822 |
| Gathering, processing and transportation expenses | 245,044 | 240,667 | 979,987 | 945,031 |
| Taxes other than income | 11,574 | 9,672 | 45,724 | 38,988 |
| Exploration expenses | 3,353 | 26,061 | 49,142 | 83,367 |
| General and administrative expenses | 23,477 | 15,357 | 77,112 | 58,334 |
| Depreciation, depletion and amortization | 181,519 | 159,286 | 676,053 | 598,407 |
| Total Operating Expenses | 492,607 | 473,542 | 1,929,677 | 1,805,949 |
| Income (Loss) from Operations | 1,656,971 | 1,155,777 | 568,974 | (609,884) |
| Other Income (Expense): | | | | |
| Interest expense, net | (57,426) | (47,034) | (209,731) | (174,840) |
| Change in fair value of contingent payment right | (1,955) | 407 | (3,302) | (19,921) |
| Losses on purchases or exchanges of debt | — | — | — | (3,822) |
| Other income | 3,409 | 862 | 5,438 | 2,182 |
| Total Other Expense | (55,972) | (45,765) | (207,595) | (196,401) |
| Net Income (Loss) | \$ 1,600,999 | \$ 1,110,012 | \$ 361,379 | \$ (806,285) |

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

| | December 31, | |
|--|---------------------|---------------------|
| | 2022 | 2021 |
| <i>(\$ in thousands)</i> | | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 3,894 | \$ 5,674 |
| Accounts receivable – natural gas, oil and NGL sales | 530,385 | 453,464 |
| Accounts receivable – joint interest and other | 35,340 | 8,309 |
| Short-term derivative assets | 14,061 | 6,866 |
| Other current assets | 12,597 | 9,012 |
| Total Current Assets | <u>596,277</u> | <u>483,325</u> |
| Property and Equipment: | | |
| Natural gas and oil properties, based on successful efforts accounting | 10,558,533 | 9,383,879 |
| Other property and equipment | 39,641 | 36,318 |
| Less: accumulated depreciation, depletion and amortization | <u>(3,900,730)</u> | <u>(3,225,844)</u> |
| Property and Equipment, net | <u>6,697,444</u> | <u>6,194,353</u> |
| Other Assets: | | |
| Long-term derivative assets | 6,081 | 522 |
| Other long-term assets | 44,117 | 46,241 |
| Total Assets | <u>\$ 7,343,919</u> | <u>\$ 6,724,441</u> |
| Current Liabilities: | | |
| Accounts payable | \$ 77,753 | \$ 86,812 |
| Accrued interest | 50,375 | 45,929 |
| Short-term derivative liabilities | 684,204 | 648,873 |
| Other current liabilities | 771,062 | 517,953 |
| Total Current Liabilities | <u>1,583,394</u> | <u>1,299,567</u> |
| Long-Term Liabilities: | | |
| Long-term debt, net | 2,475,222 | 2,588,248 |
| Long-term derivative liabilities | 495,464 | 435,022 |
| Other long-term liabilities | 113,061 | 104,796 |
| Total Long-Term Liabilities | <u>3,083,747</u> | <u>3,128,066</u> |
| Member's Equity | <u>2,676,778</u> | <u>2,296,808</u> |
| Total Liabilities and Member's Equity | <u>\$ 7,343,919</u> | <u>\$ 6,724,441</u> |

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

| <i>(\$ in thousands)</i> | Three Months Ended | | Year Ended | |
|--|--------------------|------------------|--------------------|------------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Cash Flows from Operating Activities: | | | | |
| Net income (loss) | \$1,600,999 | \$1,110,012 | \$ 361,379 | \$ (806,285) |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | | | |
| Depreciation, depletion and amortization | 181,519 | 159,286 | 676,053 | 598,407 |
| (Gain) loss on commodity derivatives | (993,155) | (532,585) | 2,687,817 | 1,743,892 |
| Settlements of commodity derivatives | (339,328) | (534,216) | (1,868,139) | (812,328) |
| Impairment of unproved natural gas and oil properties | 2,784 | 25,535 | 46,902 | 78,993 |
| Non-cash interest expense | 5,310 | 4,567 | 16,851 | 18,301 |
| Long-term incentive compensation | 8,780 | 815 | 22,745 | 3,616 |
| Change in fair value of contingent payment right | 1,955 | (407) | 3,302 | 19,921 |
| Losses on purchases or exchanges of debt | — | — | — | 3,810 |
| Other | (36) | 56 | 42 | 160 |
| Changes in operating assets and liabilities | 272,813 | (27,886) | 95,060 | (87,850) |
| Net Cash Provided by Operating Activities | 741,641 | 205,177 | 2,042,012 | 760,637 |
| Cash Flows from Investing Activities: | | | | |
| Natural gas and oil capital expenditures | (226,648) | (156,185) | (962,335) | (597,671) |
| Cash paid for acquisition | — | — | (250,882) | — |
| Additions to other property and equipment | (559) | (1,115) | (2,096) | (1,444) |
| Net Cash Used in Investing Activities | (227,207) | (157,300) | (1,215,313) | (599,115) |
| Cash Flows from Financing Activities: | | | | |
| Proceeds from credit facility borrowings | 725,000 | 850,000 | 4,245,000 | 2,100,000 |
| Repayment of credit facility borrowings | (1,160,000) | (898,000) | (4,370,000) | (2,558,000) |
| Proceeds from issuance of long-term debt | — | — | — | 400,000 |
| Repayment of long-term debt | (2,970) | — | (2,970) | (84,173) |
| Cash paid for debt issuance and amendment costs | (3) | (8) | (16,855) | (7,229) |
| Cash paid for settlements of commodity derivatives | (80,359) | — | (378,270) | (11,188) |
| Cash paid to restructure commodity derivatives | — | — | (300,000) | — |
| Other | (332) | (249) | (5,384) | (4,101) |
| Net Cash Used in Financing Activities | (518,664) | (48,257) | (828,479) | (164,691) |
| Net Decrease in Cash and Cash Equivalents | (4,230) | (380) | (1,780) | (3,169) |
| Cash and Cash Equivalents, Beginning of Period | 8,124 | 6,054 | 5,674 | 8,843 |
| Cash and Cash Equivalents, End of Period | \$ 3,894 | \$ 5,674 | \$ 3,894 | \$ 5,674 |

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

| | Three Months Ended | | Year Ended | |
|---|--------------------|----------------|----------------|----------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net Production Volumes: | | | | |
| Natural gas (mmcf) | 186,422 | 172,663 | 719,470 | 645,752 |
| Oil (mbbls) | 819 | 735 | 2,814 | 3,110 |
| NGL (mbbls) | 1,539 | 1,542 | 5,794 | 7,012 |
| Natural Gas Equivalents (mmcfe) | 200,572 | 186,324 | 771,119 | 706,484 |
| Average Daily Net Production Volumes: | | | | |
| Natural gas (mmcf/d) | 2,026 | 1,877 | 1,971 | 1,769 |
| Oil (mbbls/d) | 9 | 8 | 8 | 9 |
| NGL (mbbls/d) | 17 | 17 | 16 | 19 |
| Natural Gas Equivalents (mmcfe/d) | 2,180 | 2,025 | 2,113 | 1,936 |
| % Natural Gas | 93 % | 93 % | 93 % | 91 % |
| % Liquids | 7 % | 7 % | 7 % | 9 % |
| Average Sales Prices: | | | | |
| Natural gas (\$/mcf) | \$ 5.62 | \$ 5.65 | \$ 6.53 | \$ 3.89 |
| Oil (\$/bbl) | \$ 75.92 | \$ 70.53 | \$ 87.73 | \$ 60.47 |
| NGL (\$/bbl) | \$ 30.38 | \$ 44.74 | \$ 41.26 | \$ 34.47 |
| Natural Gas Equivalents (\$/mcfe) | \$ 5.77 | \$ 5.89 | \$ 6.73 | \$ 4.16 |
| Settlements of commodity derivatives (\$/mcfe) ^(a) | (2.36) | (2.87) | (2.98) | (1.17) |
| Average sales price, after effects of settled derivatives (\$/mcfe) | <u>\$ 3.41</u> | <u>\$ 3.02</u> | <u>\$ 3.75</u> | <u>\$ 2.99</u> |

^(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.

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

| <i>(\$ in thousands)</i> | Three Months Ended | | Year Ended | |
|--|--------------------|------------|--------------|------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Capital Expenditures Incurred: | | | | |
| Drilling and completion costs incurred | \$ 201,158 | \$ 156,103 | \$ 830,195 | \$ 566,058 |
| Land and leasehold costs incurred | 16,890 | 19,738 | 95,947 | 57,714 |
| Capitalized interest incurred | 11,374 | 10,961 | 43,893 | 48,458 |
| Total Capital Expenditures Incurred ^(a) | \$ 229,422 | \$ 186,802 | \$ 970,035 | \$ 672,230 |

^(a) Excludes the \$250.9 million paid for the XTO acquisition.

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

| <i>(\$ in thousands)</i> | Three Months Ended | | Year Ended | |
|--|--------------------|--------------|--------------|--------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net Income (Loss) (GAAP) | \$ 1,600,999 | \$ 1,110,012 | \$ 361,379 | \$ (806,285) |
| Adjustments to reconcile net income (loss) to Adjusted Net Income: | | | | |
| Impairment of unproved natural gas and oil properties | 2,784 | 25,535 | 46,902 | 78,993 |
| (Gain) loss on commodity derivatives | (993,155) | (532,585) | 2,687,817 | 1,743,892 |
| Commodity derivative settlements ^(a) | (473,217) | (534,216) | (2,299,939) | (823,516) |
| Unrealized (gain) loss on interest rate derivatives | 243 | (213) | (4,859) | (570) |
| Change in fair value of contingent payment right | 1,955 | (407) | 3,302 | 19,921 |
| Long-term incentive compensation | 8,780 | 815 | 22,745 | 3,616 |
| Losses on purchases or exchanges of debt | — | — | — | 3,822 |
| Other operating expenses (benefits) | (59) | 7,219 | (6,760) | 7,219 |
| Deferred debt issuance costs write-off | — | — | 1,977 | — |
| Adjusted Net Income (Non-GAAP) ^{(b)(c)} | \$ 148,330 | \$ 76,160 | \$ 812,564 | \$ 227,092 |

^(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) As shown above and on the following pages, Ascent uses Adjusted Net Income (Loss), Adjusted EBITDAX, Last Twelve Months ("LTM") Adjusted EBITDAX, Last Quarter Annualized ("LQA") 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.

^(c) 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

| <i>(\$ in thousands)</i> | Three Months Ended | | Year Ended | |
|---|--------------------|--------------|--------------|--------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net Income (Loss) (GAAP) | \$ 1,600,999 | \$ 1,110,012 | \$ 361,379 | \$ (806,285) |
| Adjustments to reconcile net income (loss) to Adjusted EBITDAX: | | | | |
| Exploration expenses | 3,353 | 26,061 | 49,142 | 83,367 |
| Depreciation, depletion and amortization | 181,519 | 159,286 | 676,053 | 598,407 |
| Interest expense, net | 57,426 | 47,034 | 209,731 | 174,840 |
| (Gain) loss on commodity derivatives | (993,155) | (532,585) | 2,687,817 | 1,743,892 |
| Commodity derivative settlements ^(a) | (473,217) | (534,216) | (2,299,939) | (823,516) |
| Change in fair value of contingent payment right | 1,955 | (407) | 3,302 | 19,921 |
| Long-term incentive compensation ^(b) | 8,780 | 815 | 22,745 | 3,616 |
| Losses on purchases or exchanges of debt | — | — | — | 3,822 |
| Other operating expenses (benefits) | (59) | 7,219 | (6,760) | 7,219 |
| Adjusted EBITDAX (Non-GAAP) ^{(c)(d)} | \$ 387,601 | \$ 283,219 | \$ 1,703,470 | \$ 1,005,283 |

^(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) The expense associated with the Long Term Incentive Plan Cash Award of \$5.5 million and \$16.9 million for the three months and year ended December 31, 2022, respectively, is non-cash to the Company as the Plan was established by our Parent, Ascent Resources, LLC.

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

^(d) 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

| <i>(\$ in thousands)</i> | December 31, | |
|---|--------------|-------------|
| | 2022 | 2021 |
| Net Debt: | | |
| Total debt | \$2,475,222 | \$2,588,248 |
| Less: cash and cash equivalents | 3,894 | 5,674 |
| Net Debt ^(a) | \$2,471,328 | \$2,582,574 |
| Net Debt to LTM Adjusted EBITDAX: | | |
| Net Debt ^(a) | \$2,471,328 | \$2,582,574 |
| LTM Adjusted EBITDAX (Non-GAAP) ^(b) | \$1,703,470 | \$1,005,283 |
| Net Debt to LTM Adjusted EBITDAX ^(c) | 1.5 x | 2.6 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 1.4x as of December 31, 2022 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)

| <i>(\$ in thousands)</i> | Three Months Ended | | Year Ended | |
|--|--------------------|------------|--------------|------------|
| | December 31, | | December 31, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net Cash Provided by Operating Activities (GAAP) | \$ 741,641 | \$ 205,177 | \$ 2,042,012 | \$ 760,637 |
| Adjustments to reconcile Net Cash Provided by Operating Activities to Adjusted Free Cash Flow: | | | | |
| Changes in operating assets and liabilities | (272,813) | 27,886 | (95,060) | 87,850 |
| Drilling and completion costs incurred | (201,158) | (156,103) | (830,195) | (566,058) |
| Land and leasehold costs incurred | (16,890) | (19,738) | (95,947) | (57,714) |
| Capitalized interest incurred | (11,374) | (10,961) | (43,893) | (48,458) |
| Financing commodity derivative settlements | (133,889) | — | (431,800) | (11,188) |
| Other operating expenses (benefits) | (59) | 7,219 | (6,760) | 7,219 |
| Other | 184 | 306 | 2,236 | 2,662 |
| Adjusted Free Cash Flow (Non-GAAP) ^{(a)(b)(c)} | \$ 105,642 | \$ 53,786 | \$ 540,593 | \$ 174,950 |

^(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.

^(c) Adjusted Free Cash Flow does not include the cash impact associated with the Long Term Incentive Cash Award of \$5.5 million and \$16.9 million for the three months and year ended December 31, 2022, respectively. It is reflected in our consolidated financial statements as a non-cash equity contribution received from our Parent as the Plan was established by our Parent, Ascent Resources, LLC.

ASCENT RESOURCES UTICA HOLDINGS, LLC
ROLL-FORWARD OF PROVED RESERVES
(Unaudited)

| | Year Ended December 31, 2022 |
|--|---|
| <i>(in mmcf)</i> | |
| Proved Reserves at December 31, 2021 | 9,240,487 |
| Extensions, discoveries and other additions | 656,094 |
| Revisions | (474,785) |
| Purchases of reserves | 220,206 |
| Production | (771,119) |
| Proved Reserves at December 31, 2022 | 8,870,883 |
| Proved developed reserves | 5,580,079 |
| Proved developed reserves percentage | 63 % |
| Standardized Measure of Discounted Future Net Cash Flows (\$ in thousands)(GAAP) | \$19,039,699 |
| Add: Present value of future income taxes discounted at 10% per annum ^(a) | — |
| PV-10 (\$ in thousands) (Non-GAAP) ^(a) | \$19,039,699 |

^(a) Reserve volumes and PV-10 were estimated using SEC reserve recognition standards and pricing assumptions based on the unweighted arithmetic average of the prices on the first day of each month within the 12-month period ended December 31, 2022. The average adjusted prices used in Ascent's reserve reports were \$6.26 per mcf of natural gas, \$87.39 per bbl of oil and \$39.13 per bbl of NGL utilizing a benchmark of \$6.36 per mmbtu of natural gas and \$94.14 per bbl of oil and condensate. PV-10 is a non-GAAP measure that typically differs from the standardized measure, because the former does not include the effects of estimated future income tax expense. However, because Ascent is a disregarded entity for income tax purposes, it has estimated no future income tax expense and the two measures are the same as of December 31, 2022, as calculated in the reconciliation above. PV-10 can be used within the industry and by creditors and securities analysts to evaluate estimated net cash flows from proved reserves on a more comparable basis.