

February 20, 2018



Diversified Gas & Oil Announces \$500M Credit Facility with Key Bank N.A.

Five-year revolving credit in conjunction with closing of acquisitions of Alliance Petroleum and CNX Resources

BIRMINGHAM, Ala.--(BUSINESS WIRE)-- Diversified Gas & Oil PLC (AIM: DGOC) ("Diversified" and the "Company"), a U.S.-based acquirer and operator of oil and gas producing assets, today announced the commitment of a new \$500 million, five-year senior secured revolving credit facility (the "Facility") led by Key Bank N.A. ("KeyBank"). The Facility will be subject to an initial borrowing limit of \$140 million in conjunction with the closing of Alliance Petroleum Corporation's acquisition, increasing to \$200 million following closing of the acquisition of certain Appalachian-based assets of CNX Resources. Details of [both acquisitions were announced](#) on February 12, 2018.

The new Facility from KeyBank follows the successful completion of Diversified's \$189 million share placing, following the Shareholders' General Meeting held February 19, 2018 in London, and is the fulfilment of the Company's commitment to reduce its cost of debt and to maintain a progressive dividend policy.

Upon closing of the Facility as further discussed below, Diversified will make an initial draw on the Facility to refinance the outstanding balance on its existing term loan facility (the "Existing Facility"). This refinancing will significantly reduce the Company's interest expense as the Facility will have an initial interest rate of LIBOR plus 2.50 percent versus the Existing Facility's interest rate of LIBOR plus 8.25 percent. The interest rate on the Facility will be subject to a grid that fluctuates based upon utilization from a pricing of LIBOR plus 2.25 percent to 3.25 percent. In addition to the refinancing of the Existing Facility, Diversified intends to utilize the Facility for general corporate purposes, including the option to finance all or a portion of any future acquisition opportunities.

Under the terms of the Facility, KeyBank is entitled to syndicate to other financial institutions, though the previously discussed borrowing bases are not contingent upon such a syndication. The Company anticipates that the Facility will be in final agreed form, approved and signed by March 15, 2018.

About Diversified Gas & Oil

Diversified Gas & Oil (AIM: DGOC) acquires and operates oil- and gas-producing assets in the Appalachian Basin of the United States. Diversified employs a disciplined investment strategy to acquire conventional and unconventional low-risk wells, enhance operations efficiently and maximize profitability for its shareholders. Founded in 2001, Diversified operates approximately 18,000 producing wells with the highest standards of safety, governance and transparency. For more information, visit us online at

www.diversifiedgasandoil.com.

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Source: Diversified Gas & Oil PLC