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# Diversified Gas & Oil PLC Announces Reaffirmed Borrowing Base

**BIRMINGHAM, AL / ACCESSWIRE / June 29, 2020** London LSE-quoted Diversified Gas & Oil PLC (LSE:DGOC), the U.S. based owner and operator of natural gas, natural gas liquids, and oil wells as well as midstream assets, is pleased to announce that the Company's bank lending group, led by KeyBank National Association (the "Bank Group"), has completed the semi-annual redetermination of the Company's senior secured credit facility (the "Facility") and reaffirmed the existing \$425 million borrowing base. The Bank Group also approved amendments enhancing the Company's hedging capabilities. There were no changes to pricing or covenant terms.

DGO expects to complete its next scheduled redetermination in the fourth quarter of 2020.

Following the redetermination, DGO's net debt approximates \$756 million and current liquidity approximates \$213 million, comprised of cash on hand and availability under the Facility. The Company's current borrowings result in a Net Debt to EBITDA ratio of approximately 2.2x<sup>(a)</sup>, below stated targets and debt covenant thresholds.

## **Rusty Hutson, Jr., CEO of the Company commented,**

"The reaffirmation of our borrowing base in this challenging environment speaks to the quality of our production, reserves and our strategy that is focused on generating steady positive cash flow to reduce debt and maintain a healthy balance sheet while consistently returning cash to shareholders through the dividend. This redetermination, together with other financings completed this year, demonstrates our ability to access competitive capital against a difficult economic backdrop. I would like to thank our 17-member bank group for their continued support as we remain focused on prudent growth in a market with increasing opportunities for those with an ability to transact and a proven record of successful execution."

## **Footnotes:**

1. EBITDA is 2019 pro-forma for recent acquisitions as reflected in the 12 May 2020 Acquisition Presentation available at [www.dgoc.com/presentations](http://www.dgoc.com/presentations)

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## Borrowing-Base