

February 19, 2025



Diversified Energy Announces Pricing of Offering of Ordinary Shares

BIRMINGHAM, Ala., Feb. 19, 2025 (GLOBE NEWSWIRE) -- Diversified Energy Company PLC (LSE: DEC; NYSE: DEC) ("**Diversified**" or the "**Company**"), an independent energy company focused on natural gas and liquids production, transportation, marketing and well retirement, today announces the pricing of its previously announced underwritten public offering (the "**Offering**") of 8,500,000 ordinary shares (the "**Shares**") at a public offering price of \$14.50 per Share for total gross proceeds of approximately \$123.3 million. The Offering is expected to settle on February 21, 2025, subject to customary closing conditions. In addition, Diversified has granted the underwriters a 30-day option to purchase up to an additional 850,000 ordinary shares at the public offering price, less underwriting discount.

Citigroup and Mizuho are acting as joint book-running managers and underwriters for the Offering. KeyBanc Capital Markets, Truist Securities, Jefferies and Raymond James are also acting as joint book-running managers and underwriters for the Offering. Johnson Rice & Company, Pickering Energy Partners, Stephens Inc. and Stifel are acting as co-managers and underwriters for the Offering.

The Company intends to use the net proceeds from the Offering to repay a portion of the debt expected to be incurred by the Company in connection with the proposed acquisition of Maverick Natural Resources, LLC, as announced on January 27, 2025 (the "**Acquisition**"). In the event that the Acquisition does not close, the Company intends to use the net proceeds from the Offering to repay debt and for general corporate purposes. The consummation of the Offering is not conditioned upon the completion of the Acquisition, and the completion of the Acquisition is not conditioned upon the consummation of the Offering.

A shelf registration statement relating to these securities was filed with the U.S. Securities and Exchange Commission (the "**SEC**") on February 11, 2025 and became effective upon filing. Copies of the registration statement can be accessed through the SEC's website free of charge at www.sec.gov. A preliminary prospectus supplement and an accompanying prospectus relating to and describing the terms of the Offering were filed with the SEC and are available free of charge by visiting EDGAR on the SEC's website at www.sec.gov. When available, copies of the final prospectus supplement and the accompanying prospectus related to the Offering can be accessed through the SEC's website free of charge at www.sec.gov or obtained free of charge from either of the joint book-running managers for the Offering: Citigroup, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717 (Tel: 800-831-9146); or Mizuho Securities USA LLC, Attention: Equity Capital Markets Desk, at 1271 Avenue of the Americas, New York, NY 10020, or by email at US-ECM@mizuhogroup.com.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy our ordinary shares nor shall there be any sale of securities, and shall not constitute an offer,

solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

In connection with the admission of the Shares to listing on the equity shares (commercial companies) category of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange (“**Admission**”), the Company intends to publish a prospectus as required under the UK version of Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018. Applications will be made to the FCA and LSE for Admission, and Admission is expected to become effective at 8:00 am (London time) on February 24, 2025.

Post Transaction Report

In accordance with the Statement of Principles (November 2022) published by the Pre-Emption Group, Diversified announces the following post transaction report in connection with the Offering.

Name of Issuer	Diversified Energy Company PLC
Transaction Details	The Company issued 8,500,000 new Ordinary Shares (the “ Shares ”), representing 16.6% of the Company's ordinary share capital as of 14 February 2025. Admission of the Shares representing 16.6% of the Company's ordinary share capital as of 14 February 2024 is expected to occur at 8.00 am (London time) on 24 February 2024.
Use of Proceeds	The directors of the Company intend to use the net proceeds from the Offering to repay a portion of the debt expected to be incurred by the Company in connection with the proposed acquisition of Maverick Natural Resources, LLC, as announced on 27 January 2025 (the “ Acquisition ”). In the event that the Acquisition does not close, the Company intends to use the net proceeds from the Offering to repay debt and for general corporate purposes.
Quantum of Proceeds	Total gross proceeds from the Offering, amounted to US\$123.3 million (approximately £97.9 million), approximately US\$118.3 million net of expenses (approximately £93.9 million net of expenses).
Discount	The Offering was completed at a price of US\$14.50 per Share, representing a 3.4% percent discount from the NYSE closing price of US\$15.01 per Share on 19 February 2025 (being the last business day prior to the pricing of the Offering).
Allocations	Soft pre-emption has been adhered to in the allocations process, where possible. Management was involved in the allocations process, which has been carried out in compliance with the MIFID II Allocation requirements.
Consultation	The Underwriters undertook a pre-launch wall-crossing process, including consultation with major shareholders, to the extent reasonably practicable and permitted by law.
U.K. Retail Investors	Following discussions between the Underwriters and the Company, it was decided that a retail offer would not be included in the Offering. The Offering structure was chosen to minimize cost, time to completion and complexity.

CONTACTS

Diversified Energy Company PLC

Doug Kris

Senior Vice President, Investor Relations & Corporate Communications

+1 973 856 2757

dkris@dgoc.com

FTI Consulting

U.S. & UK Financial Media Relations

dec@fticonsulting.com

About Diversified

Diversified is a leading publicly traded energy company focused on natural gas and liquids production, transport, marketing, and well retirement. Through our unique differentiated strategy, we acquire existing, long-life assets and invest in them to improve environmental and operational performance until retiring those assets in a safe and environmentally secure manner. Recognized by ratings agencies and organizations for our sustainability leadership,

this solutions-oriented, stewardship approach makes Diversified the Right Company at the Right Time to responsibly produce energy, deliver reliable free cash flow, and generate shareholder value.

Forward-Looking Statements

This press release includes forward-looking statements. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "targets", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "projects", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of management or the Company concerning, among other things, expectations regarding the proposed Offering of securities and the Acquisition. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company's control and all of which are based on management's current beliefs and expectations about future events, including market conditions, failure of customary closing conditions and the risk factors and other matters set forth in the Company's filings with the SEC and other important factors that could cause actual results to differ materially from those projected.

Important Notice to UK and EU Investors

This announcement contains inside information for the purposes of Regulation (EU) No. 596/2014 on market abuse and the UK Version of Regulation (EU) No. 596/2014 on market abuse, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (together, "**MAR**"). In addition, market soundings (as defined in MAR) were taken in respect of the matters contained in this announcement, with the result that certain persons became aware of such inside information as permitted by MAR. Upon the publication of this announcement, the inside information is now considered to be in the public domain and such persons shall therefore cease to be in possession of inside information in relation to the Company and its securities.

Members of the public are not eligible to take part in the Offering. This announcement is directed at and is only being distributed to persons: (a) if in member states of the European Economic Area, "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") ("**Qualified Investors**"); or (b) if in the United Kingdom, "qualified investors" within the meaning of Article 2(e) of the UK version of Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, who are (i) persons who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) persons who fall within Article 49(2)(a) to (d) of the Order; or (c) persons to whom they may otherwise lawfully be communicated (each such person above, a "**Relevant Person**"). No other person should act or rely on this announcement and persons distributing this announcement must satisfy themselves that it is lawful to do so. This announcement must not be acted on or relied on by persons who are not Relevant Persons, if in the United Kingdom, or Qualified Investors, if in a member state of the EEA. Any investment or investment activity to which this announcement or the Offering relates is available only to Relevant Persons, if in the United

Kingdom, and Qualified Investors, if in a member state of the EEA, and will be engaged in only with Relevant Persons, if in the United Kingdom, and Qualified Investors, if in a member state of the EEA.

No offering document or prospectus will be available in any jurisdiction in connection with the matters contained or referred to in this announcement in the United Kingdom and no such offering document or prospectus is required (in accordance with the Prospectus Regulation or UK Prospectus Regulation) to be published. The Company will publish a prospectus in connection with Admission as required under the UK Prospectus Regulation in due course.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

The Company has consulted with a number of existing shareholders and other investors ahead of the release of this announcement, including regarding the rationale for the offering. Consistent with each of its prior offerings, the Company will respect the principles of pre-emption, so far as is possible, through the allocation process, in the Offering.

In connection with the Offering, Citigroup or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. Citigroup may, for stabilization purposes, over-allot Shares up to a maximum of 10 per cent. of the total number of Shares comprised in the Offering. Citigroup will not be required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of adequate public disclosure of the final price of the securities and ending no later than 30 calendar days thereafter. However, there will be no obligation on Citigroup or any of its agents to effect stabilizing transactions and there is no assurance that stabilizing transactions will be undertaken. Such stabilizing measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilize the market price of the Shares above the offer price. Save as required by law or regulation, neither Citigroup nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilization transactions conducted in relation to the Offering.

Citigroup and Mizuho are acting exclusively for the Company and no one else in connection with the Offering and will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for giving advice in relation to the Offering or the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, Citigroup and Mizuho or any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the US prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should

be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, Citigroup and Mizuho or any of their respective affiliates acting as investors for their own accounts. Citigroup and Mizuho or any of their respective affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Neither Citigroup nor Mizuho, nor any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.



Source: Diversified Energy PLC