



DIVERSIFIED GAS & OIL
P L C



HEDGING SUPPLEMENT

Portfolio as of
28 February 2020

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HEDGING PROGRAM OVERVIEW^(a)

DESIGNED TO PROTECT CASH FLOW, DIVIDENDS, DEBT REPAYMENT & LIQUIDITY

OPTIMAL

PROTECTION

Portfolio Duration

Opportunistically utilise contracts to protect cash flow for up to 10 years

Fixed vs. Physical

Utilise a mix of financial and physical contracts to achieve highest realised price

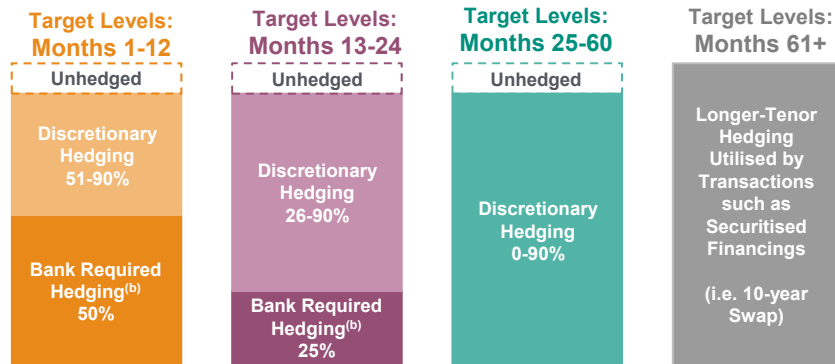
Preferred Structures

Typically costless structures including swaps, collars and similar contracts

NYMEX + Basis

Primarily hedge at Henry Hub and utilise contracts to manage exposure to basis, primarily: Dom South, TCO & TETCO M2

DGO leverages its unique asset base underpinned by long-life, low-decline production to tailor its mix of derivatives to maximise prices and protect cash flows.



	Structure	Attributes
Traditional	Swaps, Physicals	Typically costless; Provides cash flow certainty by fixing sales price
	Collars	Typically costless; Limits downside while providing for some upside price exposure within a range
	Puts	Establishes price floor for a premium, but provides for full exposure to price upside
Longer Tenor	Other	Typically costless; Extends derivative contract by leveraging long-life, low-decline, predictable production profile to blend higher prices from the back-end of the curve into the earlier months of the contracts

NATURAL GAS

Period	Weighted Average Price ^(c)	Average Volume (MMBtu/day)	% of Production ^(d)
FY20	\$2.70	440,815	90%
FY21	\$2.66	296,738	66%
FY22	\$2.54	112,247	27%
FY23	\$2.52	96,274	24%
FY24	\$2.52	88,087	24%

NGL

Period	Weighted Average Price ^(c)	Average Volume (MMBtu/day)	% of Production ^(d)
FY20	\$32.71	4,528	62%
FY21	\$33.98	113	2%
FY22	-	-	-
FY23	-	-	-
FY24	-	-	-

OIL

Period	Weighted Average Price ^(c)	Average Volume (MMBtu/day)	% of Production ^(d)
FY20	\$56.38	766	72%
FY21	\$52.65	585	58%
FY22	\$55.61	99	10%
FY23	-	-	-
FY24	-	-	-

Footnotes: (a) Portfolio as of 28 February 2020; (b) "Bank Required Hedging" refers to the minimum PDP hedging levels specified in the Company's revolving credit facility; (c) Weighted average price for Natural Gas is reflected per MMBtu and for Oil and NGLs as per barrel; Weighted average price reflects the weighted average of the swap price, put price and floor price for collar contracts; (d) % of current production is calculated based on 2019 average production and assumes annual corporate decline rate of 6%.

NEAR-TERM HEDGE PORTFOLIO – BY QUARTER

PORTFOLIO AS OF 28 FEBRUARY 2020



Weighted Average Price	1Q20	2Q20	3Q20	4Q20	1Q21
	Swaps	\$2.69	\$2.69	\$2.70	\$2.70
Collar Ceiling	n/a	\$2.84	\$2.76	\$2.76	\$2.76
Collar Floor	n/a	\$2.53	\$2.55	\$2.55	\$2.55
Physicals	\$2.83	\$2.80	\$2.74	\$2.76	n/a
Basis	(\$0.34)	(\$0.38)	(\$0.39)	(\$0.38)	(\$0.37)

1Q20	2Q20	3Q20	4Q20	1Q21
\$37.17	\$34.98	\$27.72	\$27.91	\$33.98
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a

1Q20	2Q20	3Q20	4Q20	1Q21
\$57.47	\$57.30	\$57.20	\$56.15	\$51.04
\$64.65	\$64.65	n/a	\$57.40	\$68.19
\$45.00	\$45.00	n/a	\$52.55	\$54.77
n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a

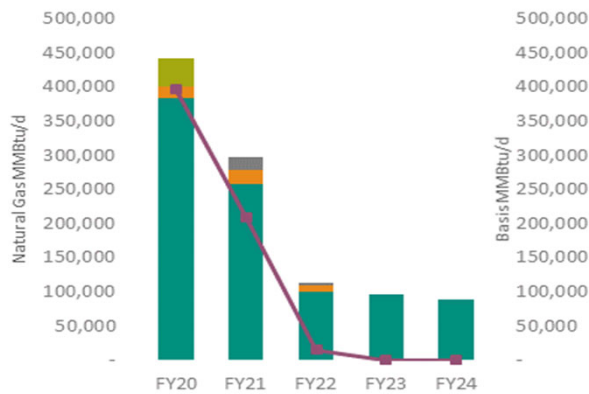
Footnotes: Please refer to the subsequent pages and the Company's most recent Report & Accounts for additional disclosures and information regarding the Company's derivative contract portfolio; Weighted average price for Natural Gas is reflected per MMBtu and for Oil and NGLs as per barrel.

LONG-TERM HEDGE PORTFOLIO – BY YEAR

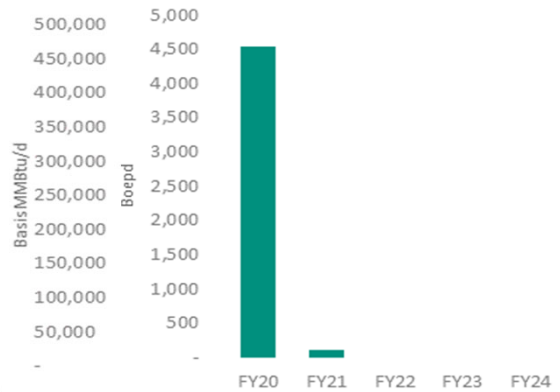
PORTFOLIO AS OF 28 FEBRUARY 2020

Daily Average Volumes

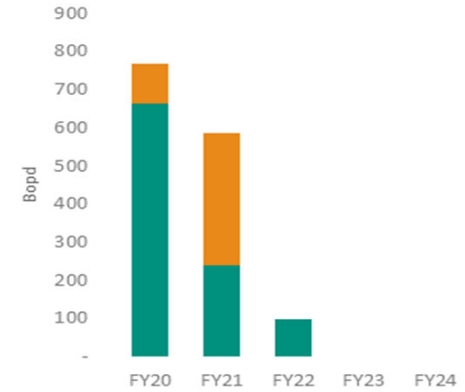
Gas



NGL



Oil



Weighted Average Price	Swaps
	Collar Ceiling
	Collar Floor
	Def Prem Put
	Physicals
	Basis

	FY20	FY21	FY22	FY23	FY24
Swaps	\$2.70	\$2.68	\$2.52	\$2.52	\$2.52
Collar Ceiling	\$2.80	\$2.79	\$3.00	n/a	n/a
Collar Floor	\$2.54	\$2.59	\$2.75	n/a	n/a
Def Prem Put	n/a	\$2.57	\$2.60	n/a	n/a
Physicals	\$2.79	n/a	n/a	n/a	n/a
Basis	(\$0.37)	(\$0.37)	(\$0.38)	n/a	n/a

	FY20	FY21	FY22	FY23	FY24
Swaps	\$32.71	\$33.98	n/a	n/a	n/a
Collar Ceiling	n/a	n/a	n/a	n/a	n/a
Collar Floor	n/a	n/a	n/a	n/a	n/a
Def Prem Put	n/a	n/a	n/a	n/a	n/a
Physicals	n/a	n/a	n/a	n/a	n/a
Basis	n/a	n/a	n/a	n/a	n/a

	FY20	FY21	FY22	FY23	FY24
Swaps	\$57.14	\$53.18	\$55.61	n/a	n/a
Collar Ceiling	\$58.35	\$67.88	n/a	n/a	n/a
Collar Floor	\$51.56	\$52.28	n/a	n/a	n/a
Def Prem Put	n/a	n/a	n/a	n/a	n/a
Physicals	n/a	n/a	n/a	n/a	n/a
Basis	n/a	n/a	n/a	n/a	n/a

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NATURAL GAS – LONGER TENOR

PORTFOLIO AS OF 28 FEBRUARY 2020

Natural Gas Financial Hedges

Natural Gas (MMBtu, \$/MMBtu)	1Q20	2Q20	3Q20	4Q20	1Q21	FY20	FY21	FY22	FY23	FY24
NYMEX NG Swaps ^(a)	37,164,644	32,782,891	34,486,872	35,437,326	26,154,549	139,871,733	93,609,549	36,470,000	35,140,000	32,240,000
Swap Price	\$2.69	\$2.69	\$2.70	\$2.70	\$2.75	\$2.70	\$2.68	\$2.52	\$2.52	\$2.52
NYMEX NG Costless Collars	-	3,507,500	1,610,000	1,300,000	6,440,000	6,417,500	7,680,000	3,600,000	-	-
Ceiling	\$0.00	\$2.84	\$2.76	\$2.76	\$2.76	\$2.80	\$2.79	\$3.00	-	-
Floor	\$0.00	\$2.53	\$2.55	\$2.55	\$2.55	\$2.54	\$2.59	\$2.75	-	-
NYMEX NG Deferred Premium Puts ^(b)	-	-	-	-	-	-	7,020,000	900,000	-	-
Put Strike	-	-	-	-	-	-	\$2.57	\$2.60	-	-
Total NYMEX Hedge Volume	37,164,644	36,290,391	36,096,872	36,737,326	32,594,549	146,289,233	108,309,549	40,970,000	35,140,000	32,240,000
Weighted Average Floor Price	\$2.69	\$2.68	\$2.69	\$2.69	\$2.71	\$2.69	\$2.66	\$2.54	\$2.52	\$2.52

Natural Gas Basis (MMBtu, \$/MMBtu)	1Q20	2Q20	3Q20	4Q20	1Q21	FY20	FY21	FY22	FY23	FY24
Dominion SP Basis	14,287,000	8,372,000	7,544,000	7,349,000	9,870,000	37,552,000	15,370,000	-	-	-
Swap Price	(\$0.43)	(\$0.47)	(\$0.48)	(\$0.47)	(\$0.46)	(\$0.46)	(\$0.46)	-	-	-
TETCO M2 Basis	7,280,000	3,010,000	920,000	-	810,000	11,210,000	810,000	-	-	-
Swap Price	(\$0.41)	(\$0.42)	(\$0.48)	-	(\$0.46)	(\$0.42)	(\$0.46)	-	-	-
Columbia TCO Basis	11,193,000	14,698,000	14,536,000	14,467,000	14,850,000	54,894,000	33,255,000	-	-	-
Swap Price	(\$0.32)	(\$0.33)	(\$0.34)	(\$0.33)	(\$0.33)	(\$0.33)	(\$0.34)	-	-	-
Total Basis Hedge Volume	32,760,000	26,080,000	23,000,000	21,816,000	25,530,000	103,656,000	49,435,000	-	-	-
Weighted Average Floor Price	(\$0.39)	(\$0.38)	(\$0.39)	(\$0.38)	(\$0.39)	(\$0.39)	(\$0.38)	-	-	-

Natural Gas Physical Contracts

Natural Gas + Basis (MMBtu, \$/MMBtu)	1Q20	2Q20	3Q20	4Q20	1Q21	FY20	FY21	FY22	FY23	FY24
NYMEX	3,640,000	1,820,000	920,000	790,000	-	7,170,000	-	-	-	-
Fixed Price	\$2.90	\$2.91	\$2.80	\$2.79	-	\$2.88	-	-	-	-
All-In Physicals	2,233,906	2,233,906	2,250,542	1,160,542	-	7,878,896	-	-	-	-
Fixed Price	\$2.32	\$2.32	\$2.32	\$2.36	-	\$2.33	-	-	-	-
Dominion SP Basis	3,628,250	3,415,300	3,347,600	3,227,800	3,136,500	13,618,950	12,114,000	2,457,000	-	-
Fixed Price	(\$0.43)	(\$0.44)	(\$0.44)	(\$0.44)	(\$0.43)	(\$0.44)	(\$0.43)	(\$0.43)	-	-
TETCO M2 Basis	990,972	990,972	1,001,862	1,001,862	-	3,985,668	-	-	-	-
Fixed Price	(\$0.57)	(\$0.57)	(\$0.57)	(\$0.57)	-	(\$0.57)	-	-	-	-
Columbia TCO Basis	4,174,500	4,075,500	3,982,000	3,905,000	3,833,500	16,137,000	14,806,000	3,003,000	-	-
Fixed Price	(\$0.43)	(\$0.43)	(\$0.43)	(\$0.43)	(\$0.43)	(\$0.43)	(\$0.43)	(\$0.43)	-	-
ETNG Basis	2,301,030	2,578,030	2,606,360	2,606,360	2,549,700	10,091,780	6,124,700	1,170,000	-	-
Fixed Price	\$0.79	\$0.22	\$0.22	\$0.27	\$0.30	\$0.36	\$0.28	\$0.27	-	-

Natural Gas Longer-Tenor

Natural Gas (MMBtu, \$/MMBtu)	FY25	FY26	FY27	FY28	FY29
Securitisation Volumes	20,360,000	19,330,000	18,460,000	17,670,000	15,510,000
Swap Price	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46

Footnotes: (a) includes 10-year NYMEX swap contracts related to the November securitisation financing priced at \$2.46/MMBtu; excludes sold calls for the 2022 and 2023 calendar years on ~208,200 MMBtu/day at \$2.78/MMBtu; also include "extendable" swaps at \$2.72 on 10,000 MMBtu/day that the counterparty has the option to extend from Oct 2024 - Sep 2028 at \$2.72/MMBtu on the same 10,000 MMBtu/day volumes; (b) deferred premium puts include 10,000 MMBtu/day for April 2021 - March 2022 at a put price of \$2.60 for a \$0.2525 deferred premium and of 35,000 MMBtu/day for August 2021 - November 2021 at a weighted average put price and premium of \$2.55 and \$0.2333

LIQUIDS HEDGING

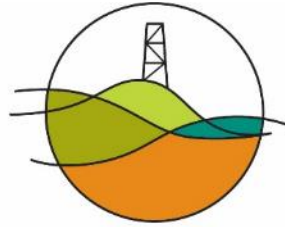
PORTFOLIO AS OF 28 FEBRUARY 2020

NGL Financial Hedges

NGL (bbl, \$/bbl)	1Q20	2Q20	3Q20	4Q20	1Q21	FY20	FY21	FY22	FY23	FY24
Propane Swaps	341,779	346,469	269,928	161,295	12,569	1,119,472	28,974	-	-	-
Swap Price	\$37.17	\$34.98	\$27.72	\$21.57	\$33.98	\$31.97	\$33.98	-	-	-
Isobutane Swaps	24,413	24,748	19,281	14,414	898	82,855	2,070	-	-	-
Swap Price	\$37.17	\$34.98	\$27.72	\$26.98	\$33.98	\$32.54	\$33.98	-	-	-
Butane Swaps	78,121	79,193	61,698	46,125	2,873	265,136	6,623	-	-	-
Swap Price	\$37.17	\$34.98	\$27.72	\$25.80	\$33.98	\$32.34	\$33.98	-	-	-
Natural Gasoline Swaps	43,943	44,546	34,705	66,445	1,616	189,639	3,725	-	-	-
Swap Price	\$37.17	\$34.98	\$27.72	\$44.97	\$33.98	\$37.66	\$33.98	-	-	-
Total NGL Hedge Volume	488,255	494,956	385,612	288,279	17,955	1,657,102	41,391	-	-	-
Weighted Average Floor Price	\$37.17	\$34.98	\$27.72	\$27.91	\$33.98	\$32.71	\$33.98	-	-	-

Oil Financial Hedges

Crude Oil (bbl, \$/bbl)	1Q20	2Q20	3Q20	4Q20	1Q21	FY20	FY21	FY22	FY23	FY24
NYMEX WTI Swaps	63,500	68,000	73,500	37,500	42,000	242,500	87,400	36,000	-	-
Swap Price	\$57.47	\$57.30	\$57.20	\$56.15	\$51.04	\$57.14	\$53.18	\$55.61	-	-
NYMEX WTI Costless Collars	3,000	2,000	-	33,000	22,314	38,000	126,123	-	-	-
Ceiling	\$64.65	\$64.65		\$57.40	\$68.19	\$58.35	\$67.88			
Floor	\$45.00	\$45.00		\$52.55	\$54.77	\$51.56	\$52.28			
Total WTI Hedge Volume	66,500	70,000	73,500	70,500	64,314	280,500	213,523	36,000	-	-
Weighted Average Floor Price	\$56.90	\$56.95	\$57.20	\$54.47	\$52.34	\$56.38	\$52.65	\$55.61	-	-



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