Antero Resources

Fourth Quarter 2024 Earnings Call Presentation

February 13th, 2025

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This presentation includes “forward-looking statements.” Such forward-looking statements are subject to a number of risks and uncertainties, many of which are not under AR’s control. All statements, except for statements of historical fact, made in this presentation regarding activities, events or developments AR expects, believes or anticipates will or may occur in the future, such as those regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management, return of capital, expected results, impacts of geopolicatal and world health events, future commodity prices, future production targets, estimated realized natural gas, NGL and oil prices, anticipated reductions in letters of credit and interest expense, including those related to certain levels of production, leverage targets and debt repayment, future capital spending plans, improved and/or increasing capital efficiency, expected drilling and development plans, projected well costs and cost savings initiatives, operations of Antero Midstream, future financial position, the participation level of our drilling partner and the financial and production results to be achieved as a result of the drilling partnership and the key assumptions underlying its projections and future marketing opportunities are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All forward-looking statements speak only as of the date of this presentation. Although AR believes that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that these plans, intentions or expectations will be achieved. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements. Except as required by law, AR expressly disclaims any obligation to and does not intend to publicly update or revise any forward-looking statements.

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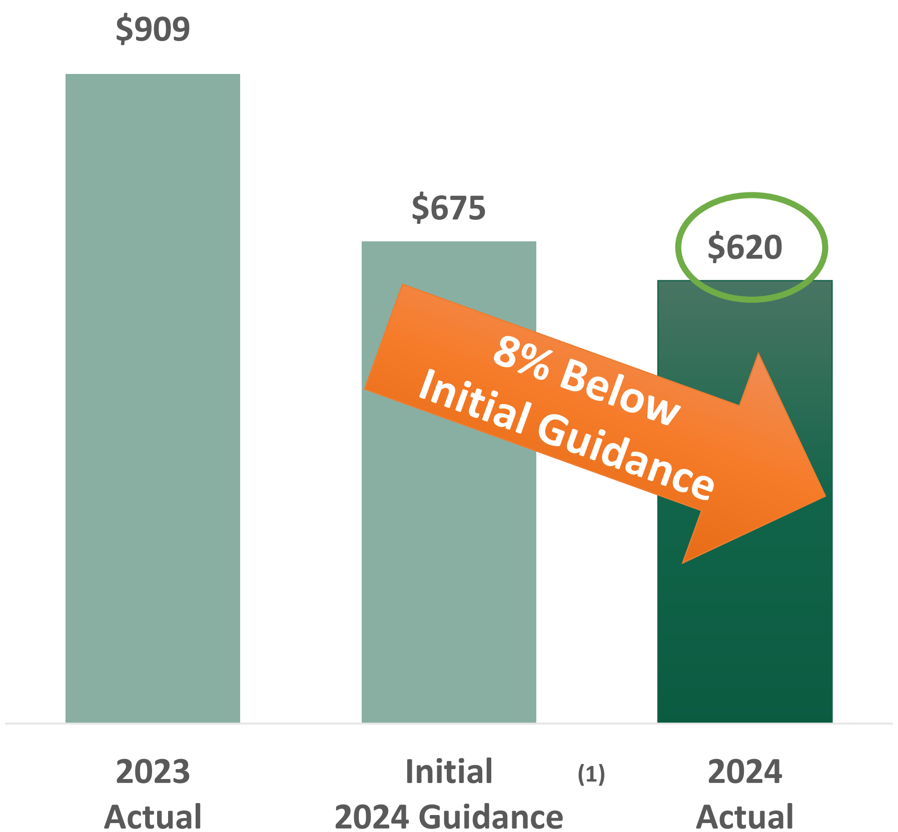
This presentation also includes AR non-GAAP measures which are financial measures that are not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). Please see “Antero Non-GAAP Measures” for definitions of these measures as well as certain additional information regarding these measures.

Antero Resources Corporation is denoted as “AR” in the presentation and Antero Midstream Corporation is denoted as “AM”, which are their respective New York Stock Exchange ticker symbols.

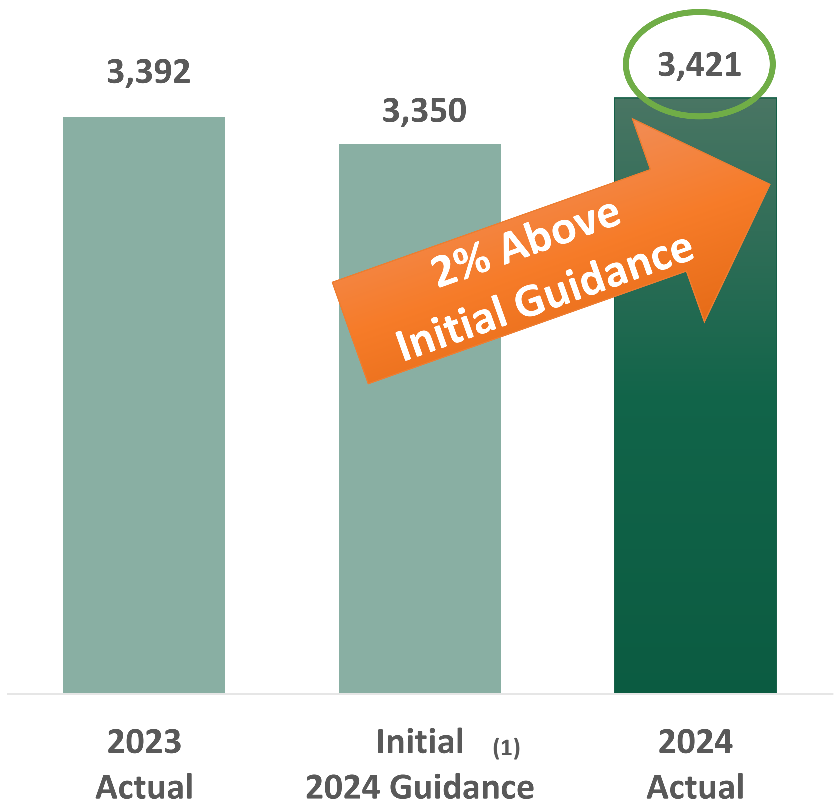
Reduced Maintenance Capital

Operating efficiencies and strong well performance resulted in CAPEX below guidance and production above guidance in 2024

AR D&C Capex
($MM)



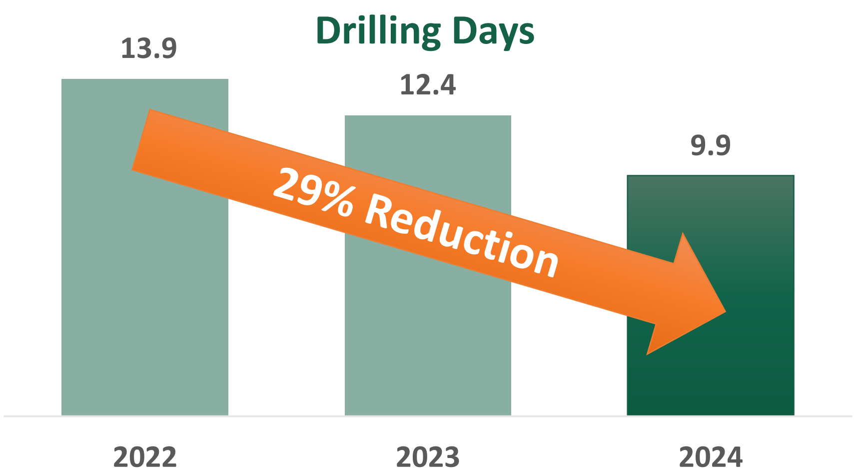
AR Production
(MMcfe/d)



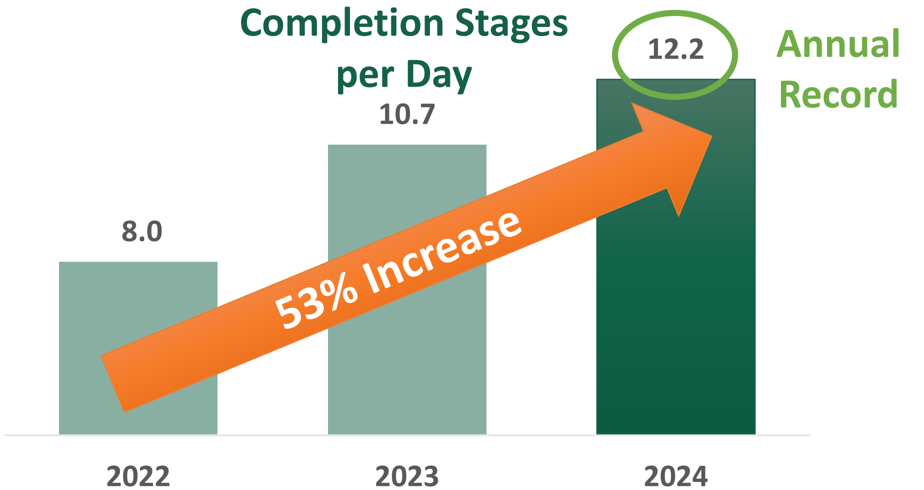
1) *Represents midpoint of initial 2024 guidance.*

Drilling and Completion Efficiencies

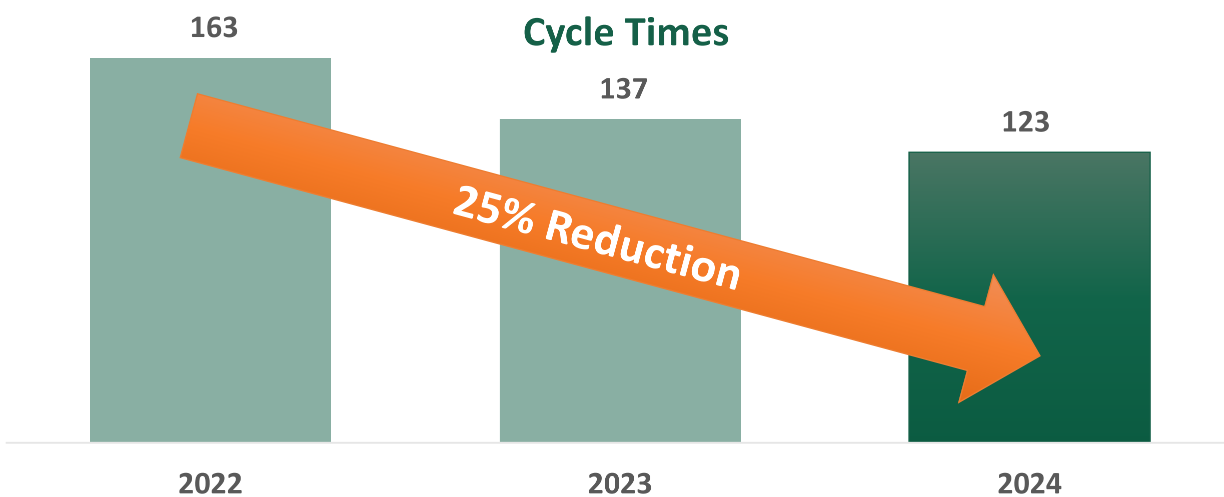
Total Days per Well (13,000’ Lateral)



Increased Completion Stages per Day…



Significantly Reduces Cycle Time per Pad (1)



Note: Percentage increase or decrease arrows represent change from 2022 to 2024.

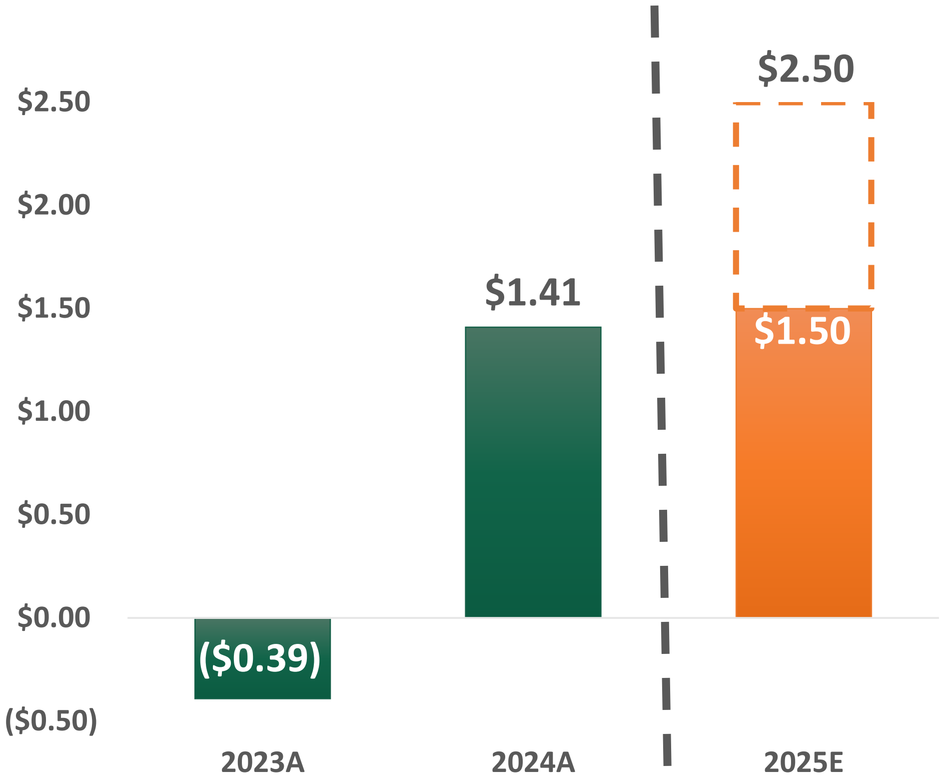
1) *Cycle time represents days from surface spud date to first production date, normalized for lateral length and intentionally deferred completions. Average of six wells per pad for 2022, 2023 and 2024.*

Strong C3+ NGL Differentials

Antero's strong C3+ NGL premium to Mont Belvieu in 2024 driven by premium export differentials is expected to continue in 2025

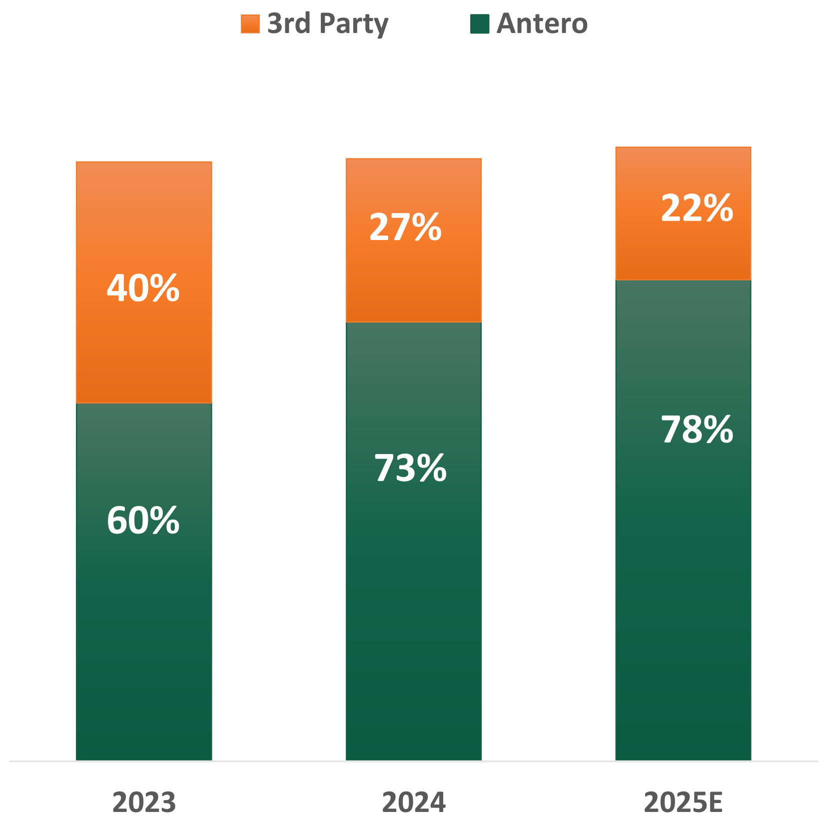
AR Realized C3+ NGL Differentials to MB.

($/Bbl)



AR C3+ NGL Marketing Volume

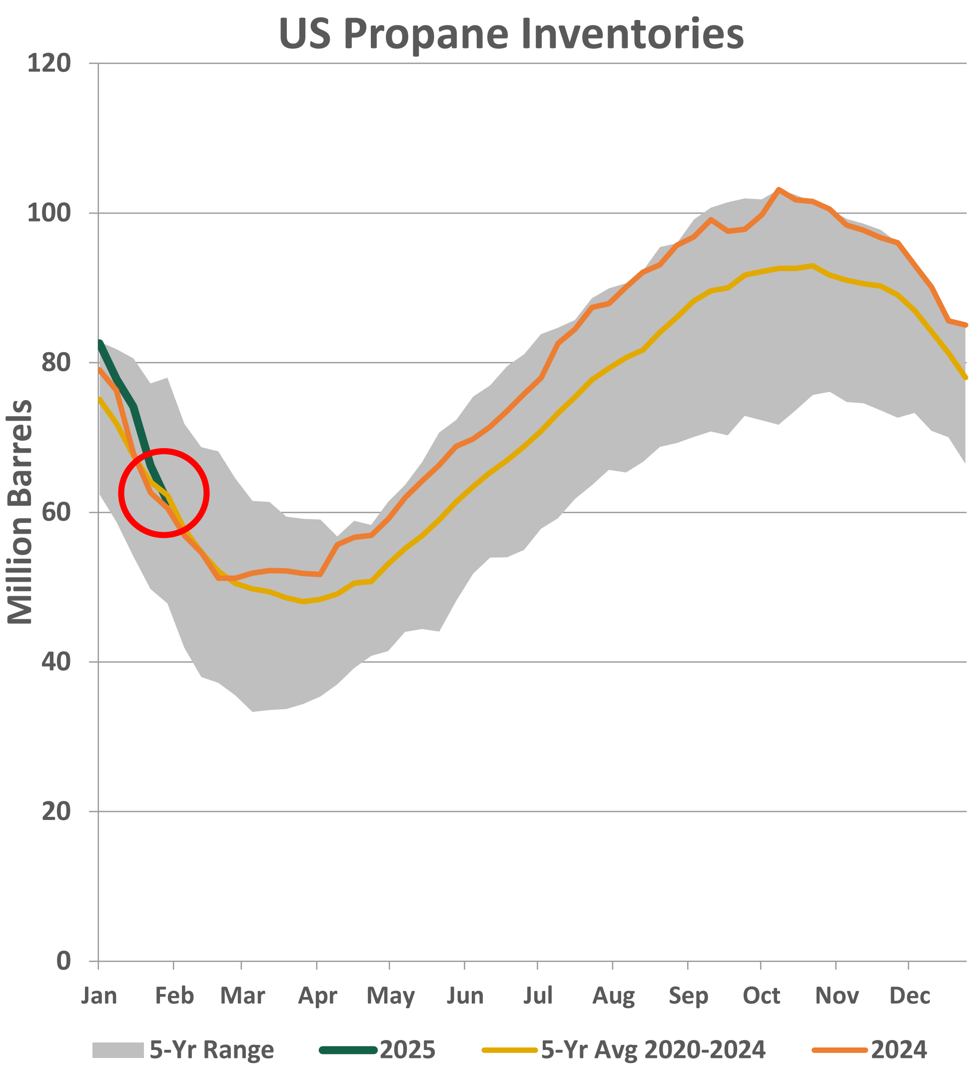
(% Marketed)



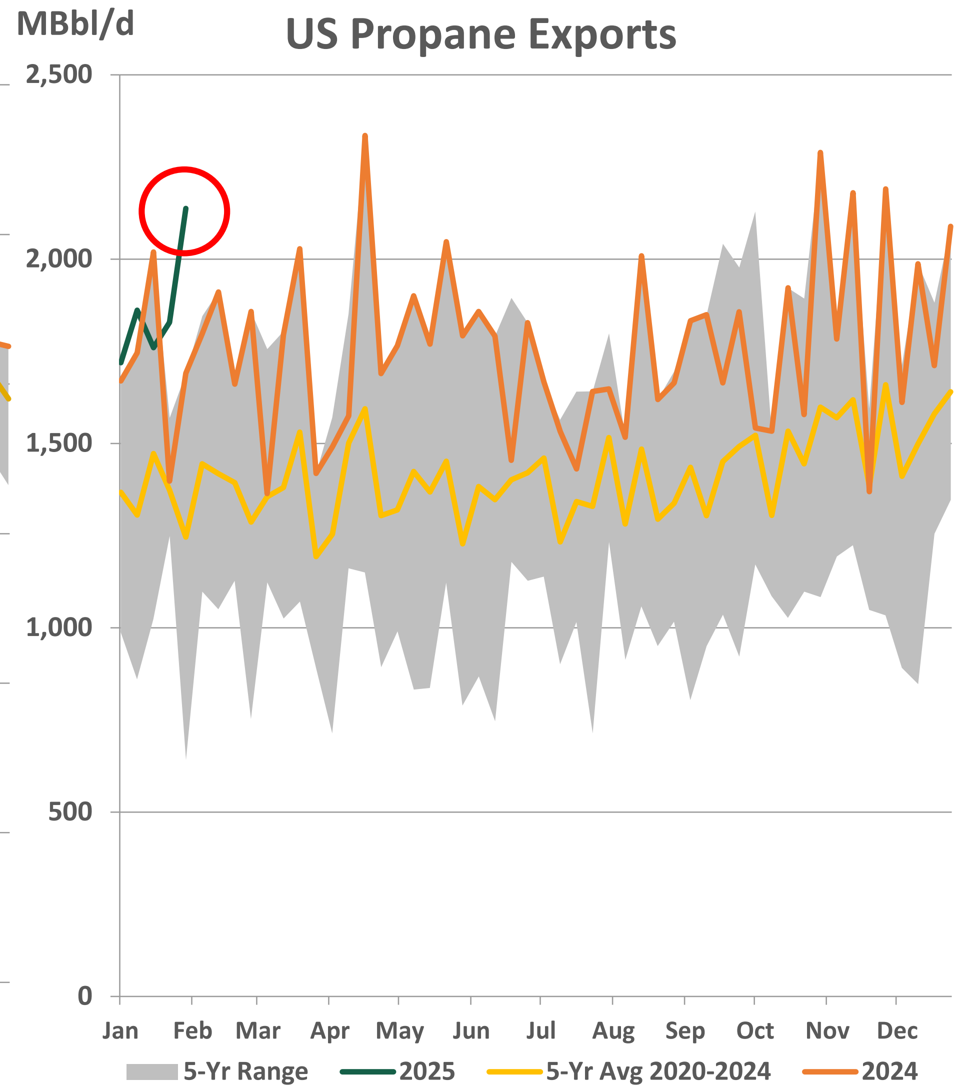
Note: C3+ NGL differentials to Mont Belvieu based on AR NGL component barrel consisting of 57% C3 (propane), 9% isobutane (Ic4), 17% normal butane (Nc4) and 17% natural gasoline (C5+). Weighted Mont Belvieu benchmark price based ICE settlement OPIS futures average price for the front month contract as published on the last trading day of the month. Propane and isobutane reflect TET prices, and normal butane and natural gasoline reflect non-TET prices.

2025 Propane Inventories and Exports vs. 5-Year Average

Storage Returns to 5-Year Average



Propane Exports Trend Above 2024

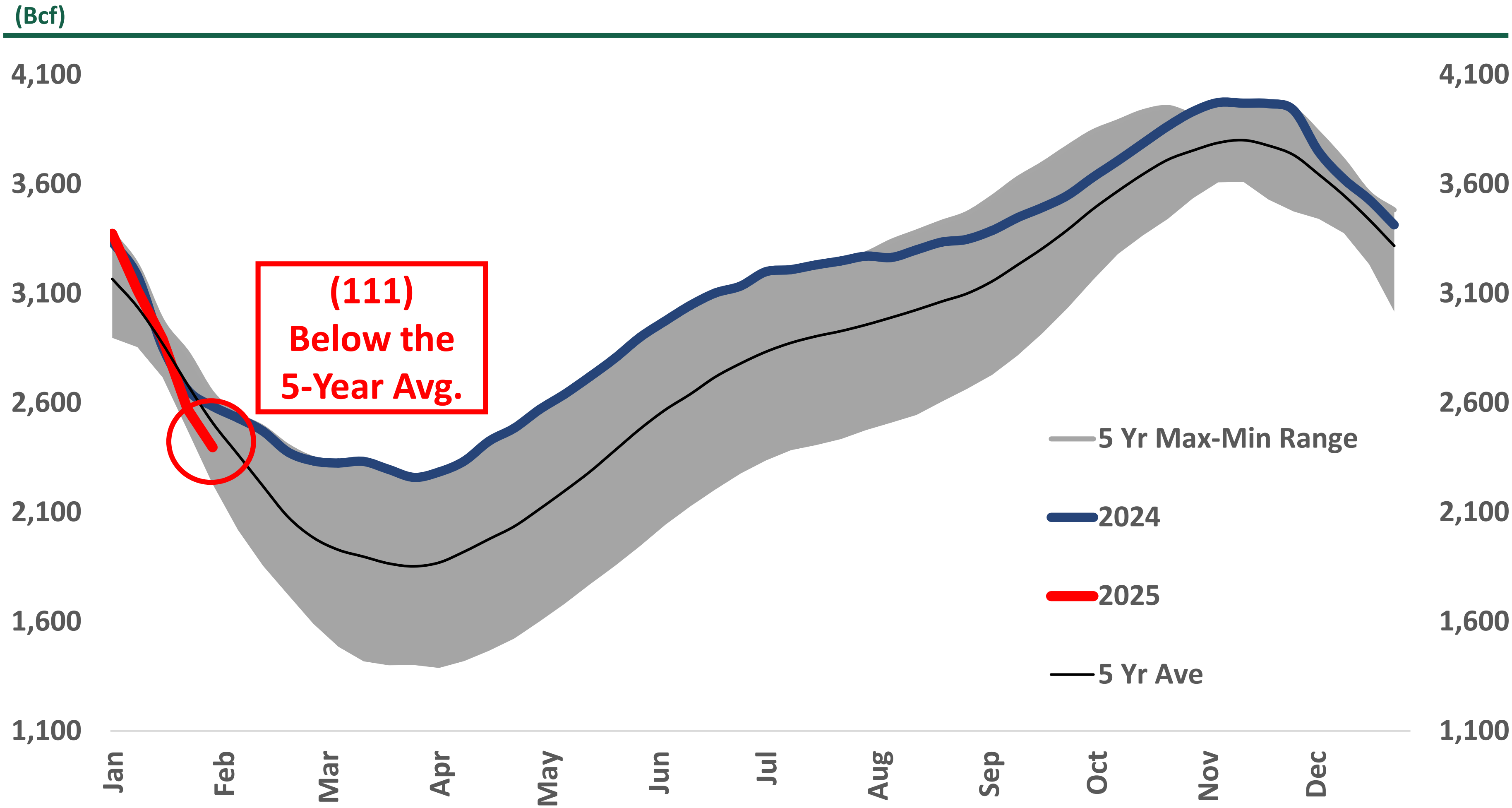


Source: EIA

2025 Natural Gas Storage vs. the 5-Year Average

The U.S. natural gas storage is below the 5-year average

U.S. Natural Gas Storage

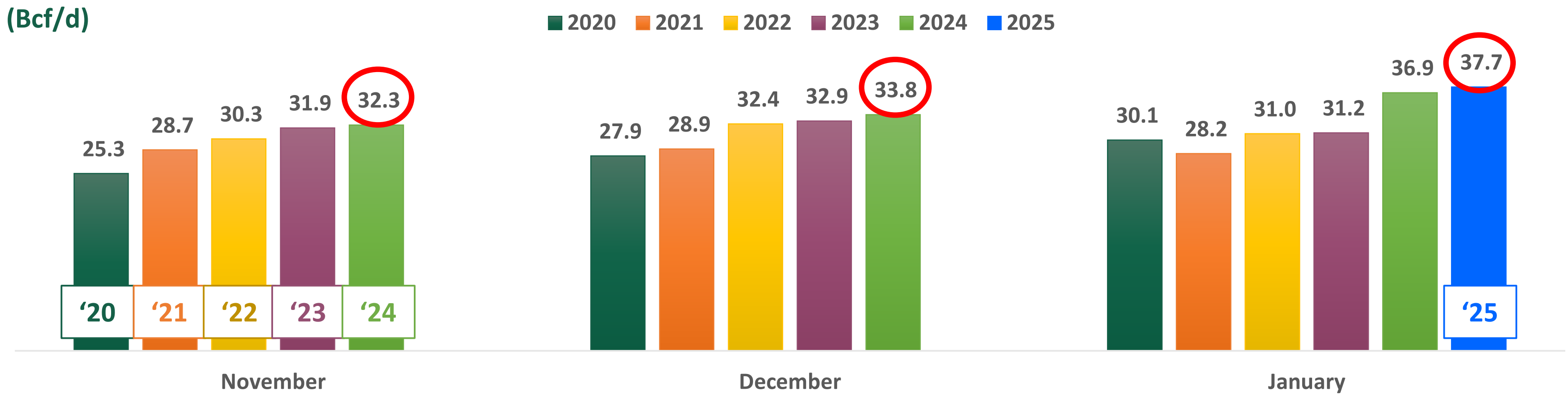


Source: EIA.

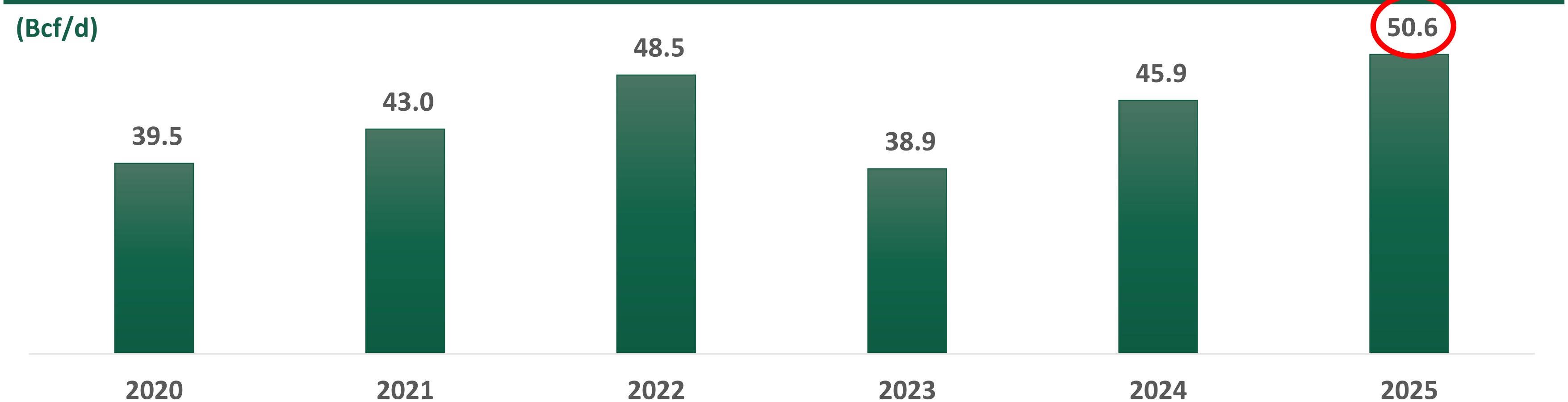
Strong Winter Natural Gas Demand

Natural gas demand from power burn has broken records every month this winter while ResComm demand in January 2025 was the highest on record

U.S. Natural Gas Demand From Power Burn (Winter Months)



U.S. Natural Gas Demand From ResComm (January Average)



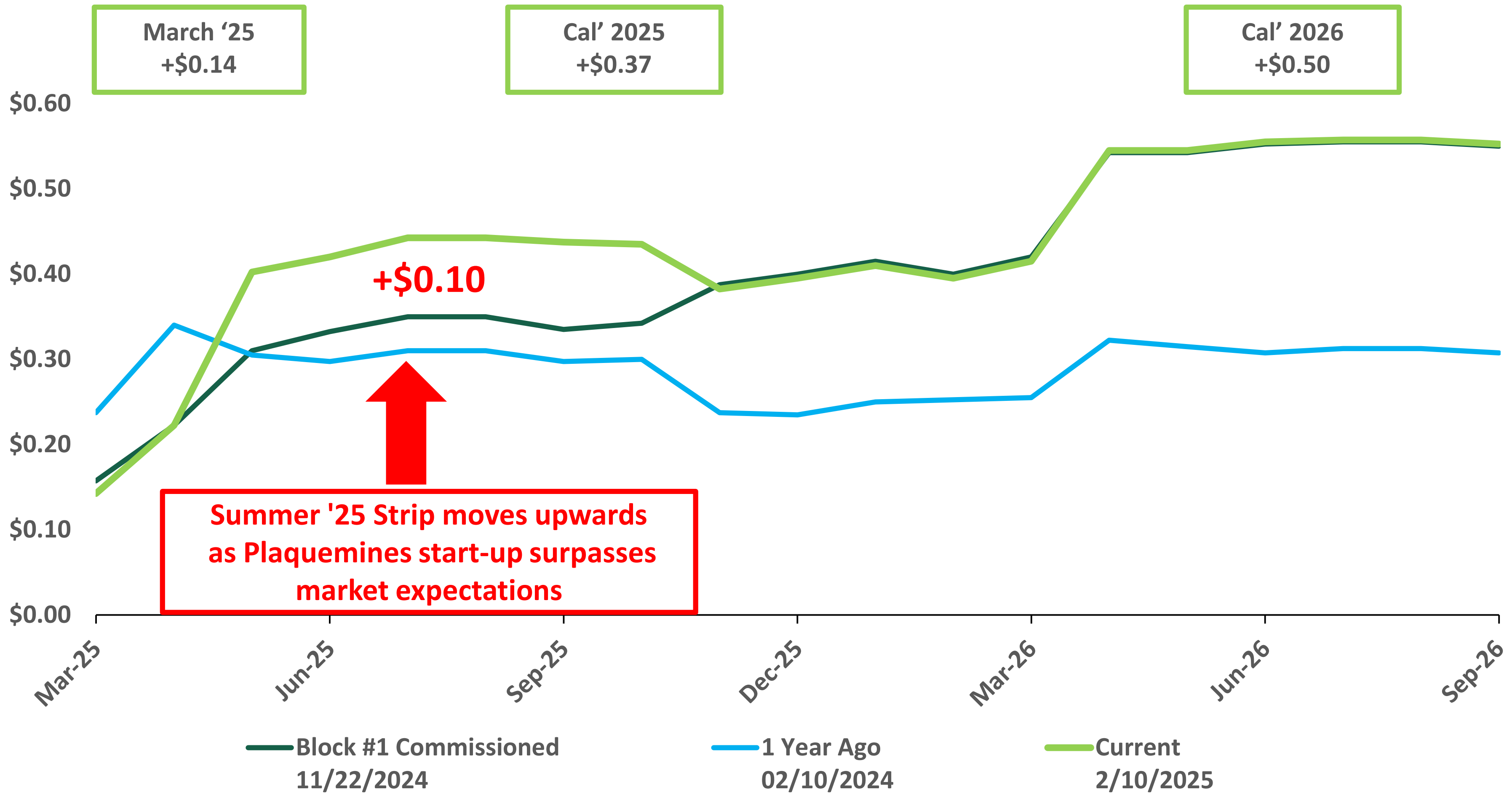
Source: S&P Global Platts.

TGP 500L Basis Performance

TGP 500-L basis strip pricing has continued to show strength as the start-up of the Plaquemines LNG export facility has surpassed initial expectations

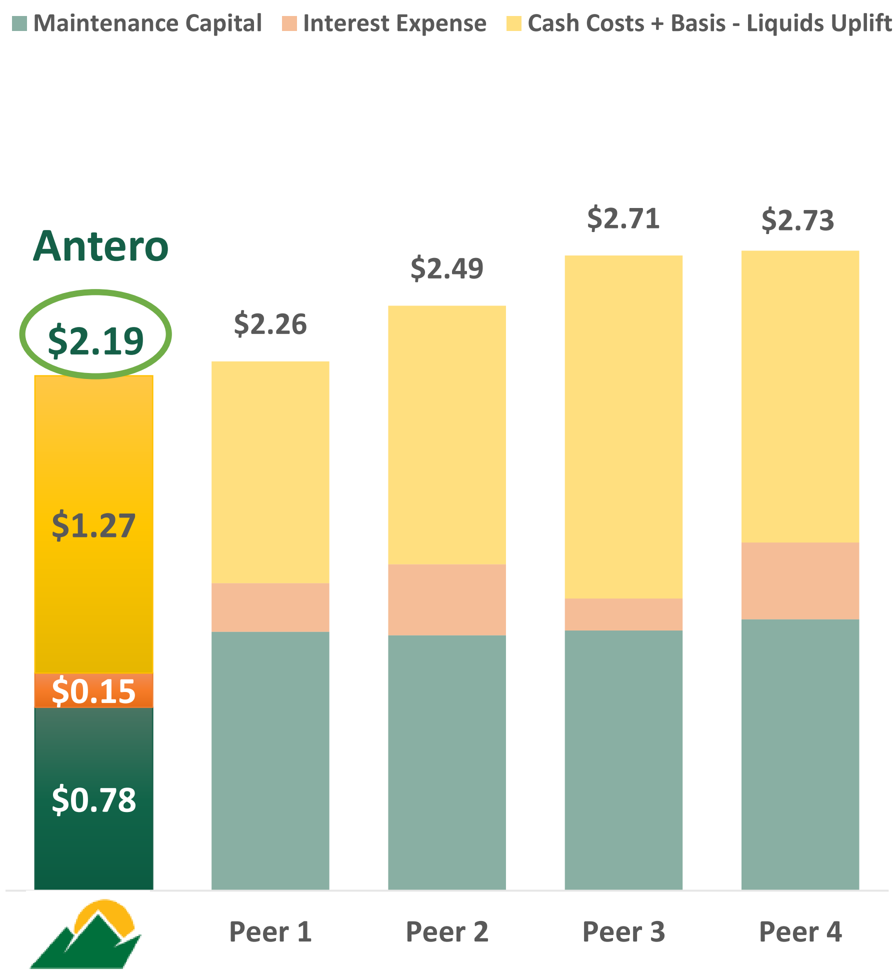
TGP 500-L Differential to NYMEX Henry Hub

($/MMBtu)

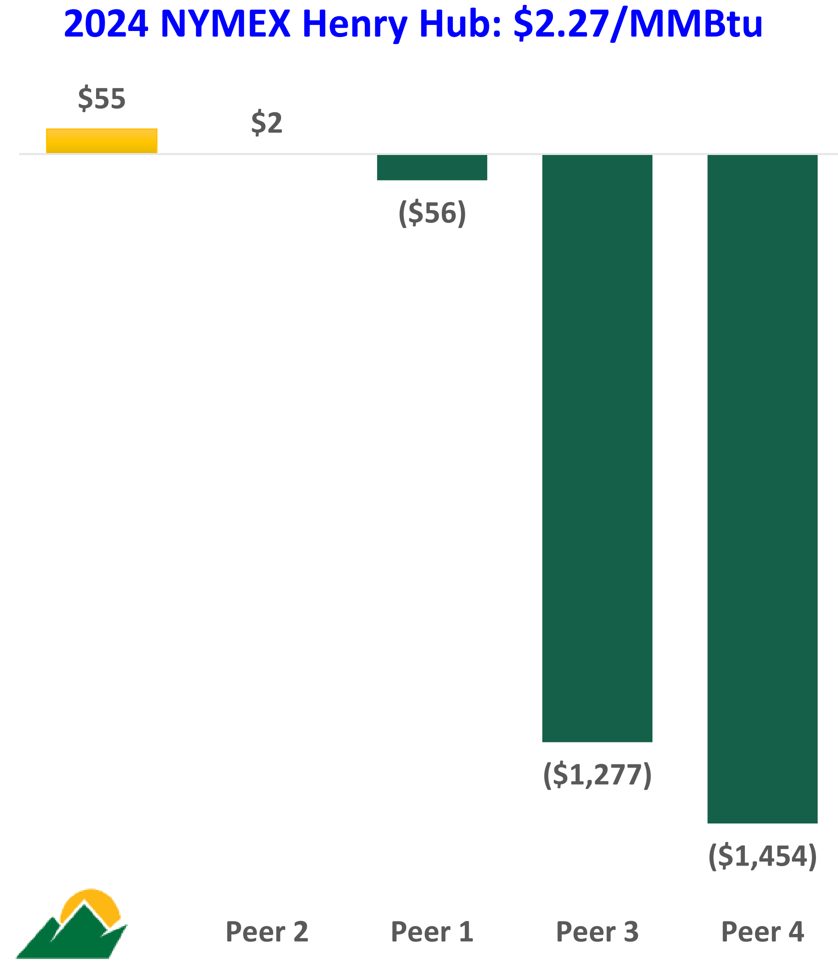


Lowest Free Cash Flow Breakeven

2024E Unhedged FCF Natural Gas Price Breakeven [1]
($/Mcf Henry Hub)



2024 Unhedged Free Cash Flow / (Outspend) [2]
($MM)



Source: Publicly disclosed guidance, company presentations, earnings call transcripts, Wall Street research. Peers include CNX, EQT, EXE and RRC. Based on 2024 actuals for AR and CNX. Remainder of peers based on 2024 actuals through 9/30/24 and consensus or company guidance thereafter.

1) *.Pro forma for acquisitions closed in 2024.*
2) *Represents FCF before changes in working Capital. Free Cash Flow is a Non-GAAP metric. Please see appendix for additional disclosures.*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APPENDIX

Guidance

	2025 Guidance Ranges
Net Production (Bcfe/d)	**3.35 – 3.45**
Net Natural Gas Production (Bcf/d)	**2.16 – 2.20**
Net Liquids Production (Bbl/d)	**198,000 – 208,000**
Net Daily C3+ NGL Production (Bbl/d)	113,000 – 117,000
Net Daily Ethane Production (Bbl/d)	76,000 – 80,000
Net Daily Oil Production (Bbl/d)	9,000 – 11,000
Natural Gas Realized Price *Expected Premium to NYMEX ($/Mcf)*	**$0.10 to $0.20**
C2 Ethane Realized Price - *Expected (Discount) / Premium to Mont Belvieu ($/Bbl)*	**$1.00 - $2.00**
C3+ NGL Realized Price - *Expected Premium to Mont Belvieu ($/Bbl)* (1)	**$1.50 - $2.50**
Oil Realized Price Expected Differential to WTI ($/Bbl)	**($12.00) – ($16.00)**
Cash Production Expense ($/Mcfe) (2)	**$2.45 – $2.55**
Net Marketing Expense ($/Mcfe)	**$0.04 – $0.06**
G&A Expense ($/Mcfe) ***(before equity-based compensation)***	**$0.12 – $0.14**
D&C Capital Expenditures ($MM)	**$650 - $700**
Land Capital Expenditures ($MM)	**$75 - $100**
Average Operated Rigs, Average Completion Crews	**Rigs: 2.0 | Completion Crews: 1.0 to 2.0**
Operated Wells Drilled (Net) **Operated Wells Completed (Net)**	**Wells Drilled: 50 – 55** **Wells Completed: 60 – 65**
Average Lateral Lengths, Drilled **Average Lateral Lengths, Completed**	**Drilled: 13,100** **Completed: 13,700**

1) *Based on Antero C3+ NGL component barrel which consists of 57% C3 (propane), 9% isobutane (Ic4), 16% normal butane (Nc4) and 17% natural gasoline (C5+).*
2) *Includes lease operating expenses, gathering, compression, processing and transportation expenses ("GP&T") and production and ad valorem taxes.*

Antero Resources Non-GAAP Measures

Adjusted EBITDAX: Adjusted EBITDAX as defined by the Company represents income or loss, including noncontrolling interests, before interest expense, interest income, unrealized gains or losses from commodity derivatives, but including net cash receipts or payments on derivative instruments included in derivative gains or losses other than proceeds from derivative monetizations, amortization of deferred revenue, VPP, income taxes, impairment of property and equipment, depletion, depreciation, amortization, and accretion, exploration expense, equity-based compensation expense, contract termination, loss contingency, transaction fees, gain or loss on sale of assets, loss on convertible note inducement, equity in earnings of and dividends from unconsolidated affiliates and Martica-related adjustments.

The GAAP financial measure nearest to Adjusted EBITDAX is net income or loss including noncontrolling interest that will be reported in Antero's condensed consolidated financial statements. While there are limitations associated with the use of Adjusted EBITDAX described below, management believes that this measure is useful to an investor in evaluating the Company's financial performance because it:

- is widely used by investors in the oil and natural gas industry to measure operating performance without regard to items excluded from the calculation of such term, which may vary substantially from company to company depending upon accounting methods and the book value of assets, capital structure, and the method by which assets were acquired, among other factors;
- helps investors to more meaningfully evaluate and compare the results of Antero's operations from period to period by removing the effect of its capital and legal structure from its consolidated operating structure; and
- is used by management for various purposes, including as a measure of Antero's operating performance, in presentations to the Company's board of directors, and as a basis for strategic planning and forecasting. Adjusted EBITDAX is also used by the board of directors as a performance measure in determining executive compensation.

There are significant limitations to using Adjusted EBITDAX as a measure of performance, including the inability to analyze the effects of certain recurring and non-recurring items that materially affect the Company's net income or loss, the lack of comparability of results of operations of different companies, and the different methods of calculating Adjusted EBITDAX reported by different companies. In addition, Adjusted EBITDAX provides no information regarding a company's capital structure, borrowings, interest costs, capital expenditures, and working capital movement or tax position.

Net Debt: Net Debt is calculated as total long-term debt less cash and cash equivalents. Management uses Net Debt to evaluate its financial position, including its ability to service its debt obligations.

Leverage: Leverage is calculated as Net Debt divided by LTM Adjusted EBITDAX.

Free Cash Flow: Free Cash Flow is a measure of financial performance not calculated under GAAP and should not be considered in isolation or as a substitute for cash flow from operating, investing, or financing activities, as an indicator of cash flow, or as a measure of liquidity. The Company defines Free Cash Flow as Net Cash Provided by Operating Activities, less Net Cash Used in Investing Activities, which includes drilling and completion capital and leasehold capital, plus payments for derivative monetizations, less proceeds from asset sales and less distributions to non-controlling interests in Martica.

Free Cash Flow is a useful indicator of the Company's ability to internally fund its activities and to service or incur additional debt and estimate return of capital. There are significant limitations to using Free Cash Flow as a measure of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect the Company's net income, the lack of comparability of results of operations of different companies and the different methods of calculating Free Cash Flow reported by different companies. Free Cash Flow does not represent funds available for discretionary use because those funds may be required for debt service, land acquisitions and lease renewals, other capital expenditures, working capital, income taxes, exploration expenses, and other commitments and obligations.

Antero Resources Adjusted EBITDAX Reconciliation

	Three Months Ended December 31, 2023	Three Months Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2024
Reconciliation of net income to Adjusted EBITDAX:				
Net income and comprehensive income attributable to Antero Resources Corporation	$ 81,839	149,649	198,404	57,226
Net income and comprehensive income attributable to noncontrolling interests	21,169	9,164	98,925	36,471
Unrealized commodity derivative (gains) losses	(37,272)	20,122	(394,046)	9,423
Payments for derivative monetizations	—	—	202,339	—
Amortization of deferred revenue, VPP	(7,700)	(6,812)	(30,552)	(27,101)
Gain (loss) on sale of assets	—	1,989	(447)	862
Interest expense, net	32,608	27,061	117,870	118,207
Loss on early extinguishment of debt	—	—	—	528
Loss on convertible note inducements	288	—	374	—
Income tax expense (benefit)	26,390	(104,170)	63,626	(118,185)
Depletion, depreciation, amortization and accretion	191,508	194,899	750,093	765,827
Impairment of property and equipment	6,556	28,475	51,302	47,433
Exploration expense	603	702	2,691	2,618
Equity-based compensation expense	14,531	17,169	59,519	66,462
Equity in earnings of unconsolidated affiliate	(23,966)	(23,925)	(82,952)	(93,787)
Dividends from unconsolidated affiliate	31,284	31,314	125,138	125,197
Contract termination, loss contingency, transaction expense and other	4,981	1,404	55,491	4,933
	342,819	**347,041**	**1,217,775**	**996,114**
Martica related adjustments [1]	(20,373)	(15,105)	(97,257)	(63,789)
Adjusted EBITDAX	**$ 322,446**	**331,936**	**1,120,518**	**932,325**

1) *Adjustments reflect noncontrolling interests in Martica not otherwise adjusted in amounts above.*

Antero Resources Free Cash Flow Reconciliation

	Three Months Ended December 31,	
	2023	2024
Net cash provided by operating activities	$ 312,175	278,002
Less: Capital expenditures [1]	(219,817)	(128,315)
Less: Distributions to non-controlling interests in Martica	(24,578)	(15,651)
Free Cash Flow	**$ 67,780**	**134,036**
Changes in Working Capital [2]	29,203	24,845
Free Cash Flow before Changes in Working Capital	**$ 96,983**	**158,881**

1) *Working capital adjustments include changes in current assets and liabilities and changes in accounts payable and accrued liabilities for additions to property and equipment.*

Antero Resources Total Debt to Net Debt Reconciliation

	December 31, 2023	December 31, 2024
Credit Facility	$ 417,200	393,200
8.375% senior notes due 2026	96,870	96,870
7.625% senior notes due 2029	407,115	407,115
5.375% senior notes due 2030	600,000	600,000
4.250% convertible senior notes due 2026	26,386	—
Unamortized debt issuance costs	(9,975)	(7,955)
Total long-term debt	**$ 1,537,596**	**1,489,230**
Less: Cash and cash equivalents	—	—
Net Debt	**$ 1,537,596**	**1,489,230**