



Fourth Quarter 2023 Earnings Call Presentation

FEBRUARY 15th, 2024

Legal Disclaimer

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, future commodity prices, future production targets, realizing potential future fee rebates or reductions, including those related to certain levels of production, leverage targets and debt repayment, future earnings, future capital spending plans, improved and/or increasing capital efficiency, estimated realized natural gas, natural gas liquids and oil prices, expected drilling and development plans, projected well costs and cost savings initiatives, future financial position, future marketing opportunities, 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 projection and AR’s environmental goals 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.

AR cautions you that these forward-looking statements are subject to all of the risks and uncertainties incident to the exploration for and the development, production, gathering and sale of natural gas, NGLs and oil, most of which are difficult to predict and many of which are beyond AR’s control. These risks include, but are not limited to, commodity price volatility, inflation, supply chain disruption, lack of availability of drilling, completion and production equipment and services, environmental risks, drilling and completion and other operating risks, marketing and transportation risks, regulatory changes and changes in law, the uncertainty inherent in estimating natural gas and oil reserves and in projecting future rates of production, cash flow and access to capital, the timing of development expenditures, impacts of geopolitical events and world health events, cybersecurity risks, conflicts of interest among our stockholders, the state of markets for and availability of verified carbon offsets and the other risks described under the heading “Item 1A. Risk Factors” in AR’s Annual Report on Form 10-K for the year ended December 31, 2023. Any forward-looking statement speaks only as of the date on which such statement is made and AR undertakes no obligation to correct or update any forward-looking statement whether as a result of new information, future events or otherwise, except as required by applicable law.

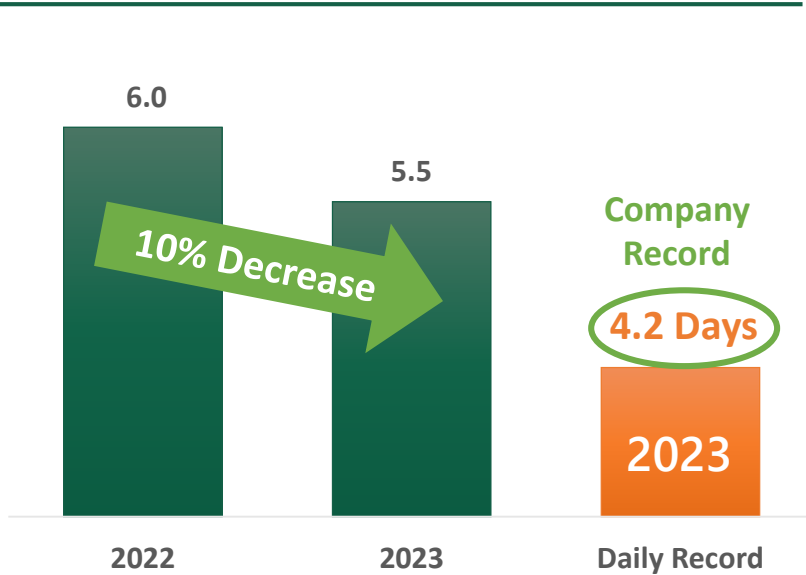
This presentation also includes AR non-GAAP measures which are financial measures that are not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). Please see “Antero Non-GAAP Measures” for definitions of these measures as well as certain additional information regarding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

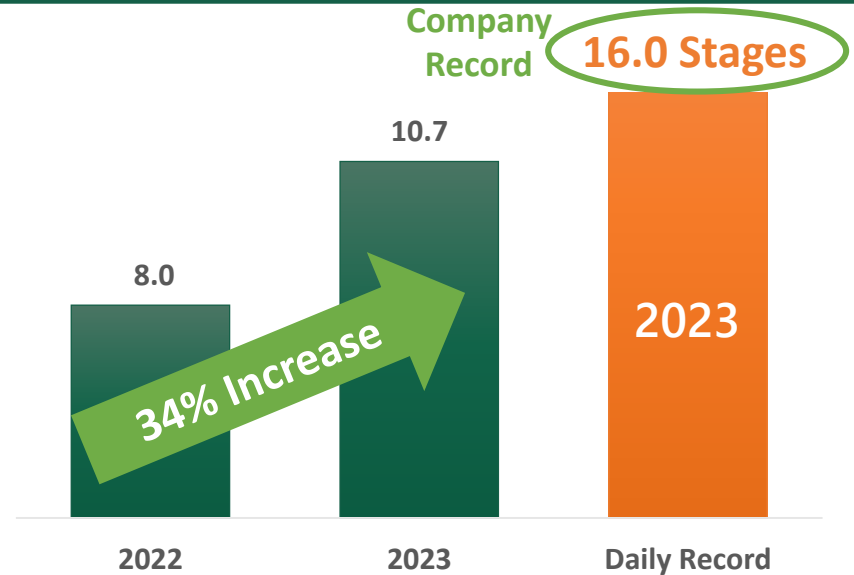


Drilling and Completion Efficiencies

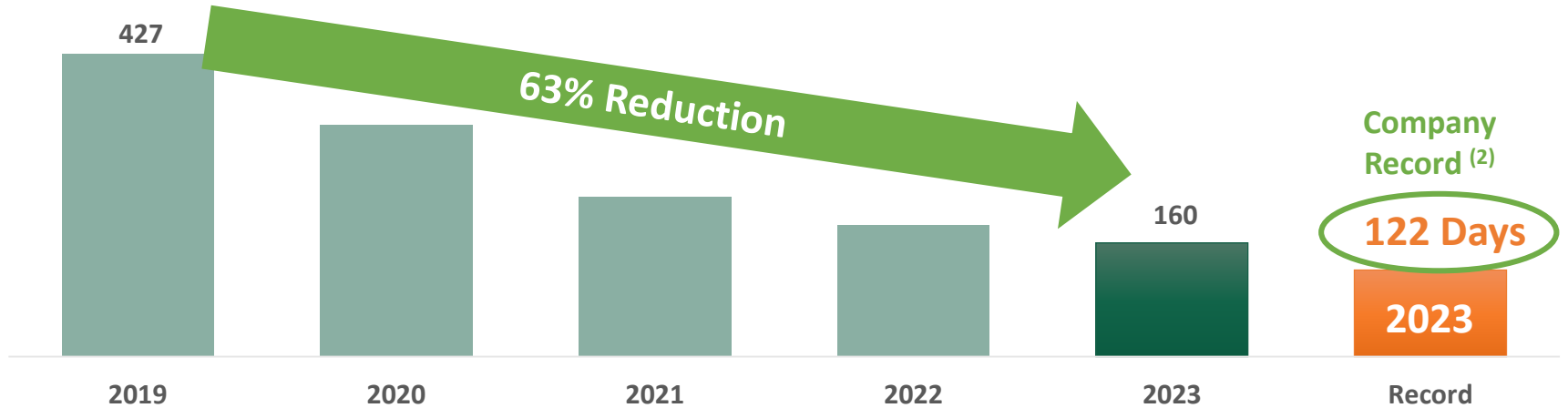
Days per 10,000 Lateral Feet Drilled



Increased Completion Stages per Day...



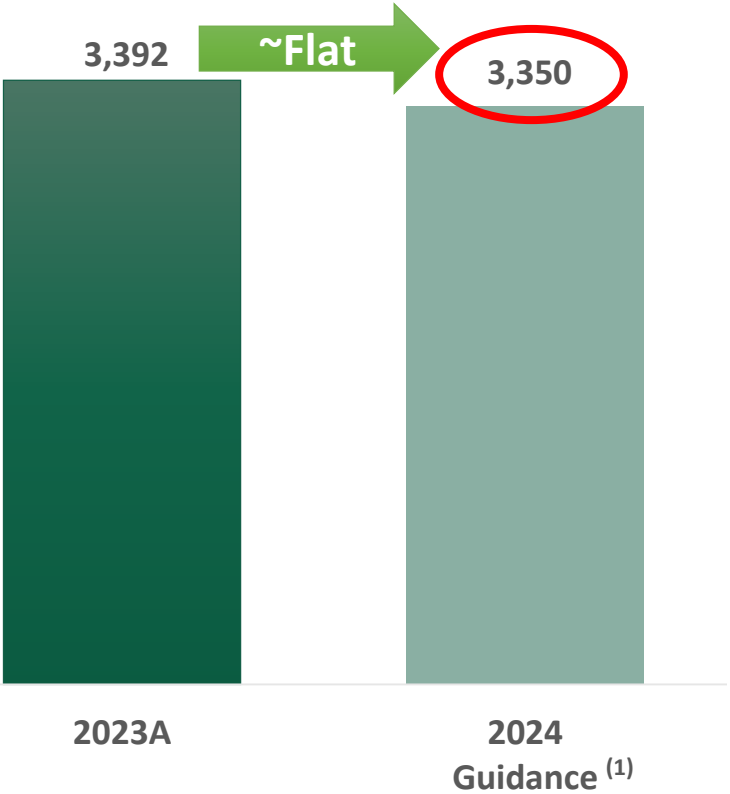
Significantly Reduces Cycle Time per Pad ⁽¹⁾



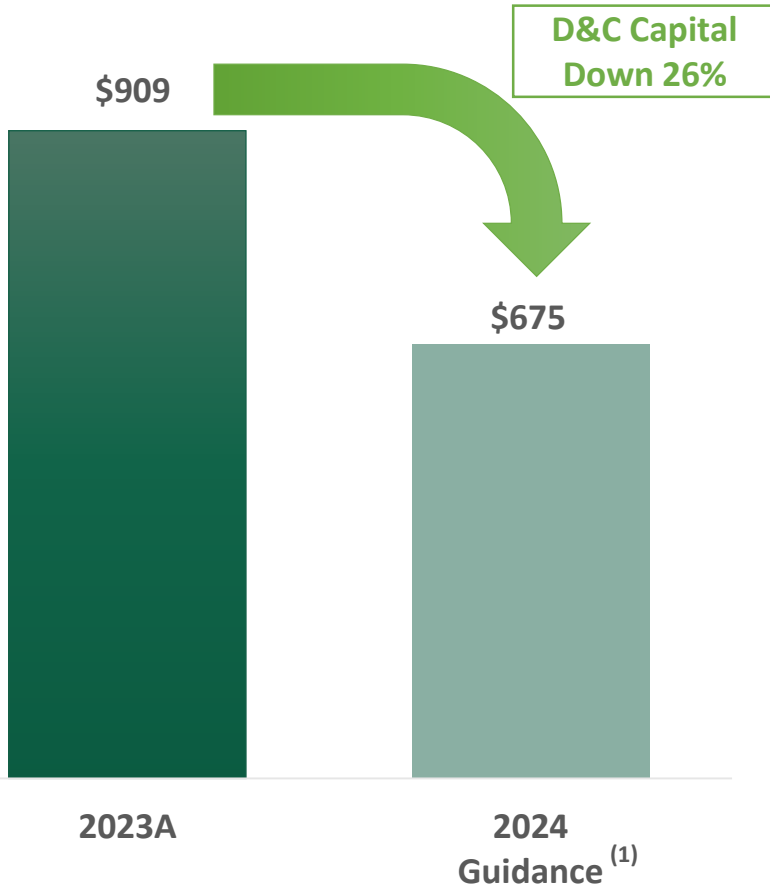
Efficiencies Translate to Lower Maintenance Capital in 2024

Drilling and completion efficiencies combined with strong well performance translate to a significant reduction to 2024 maintenance capital levels

Production (MMcfe/d)



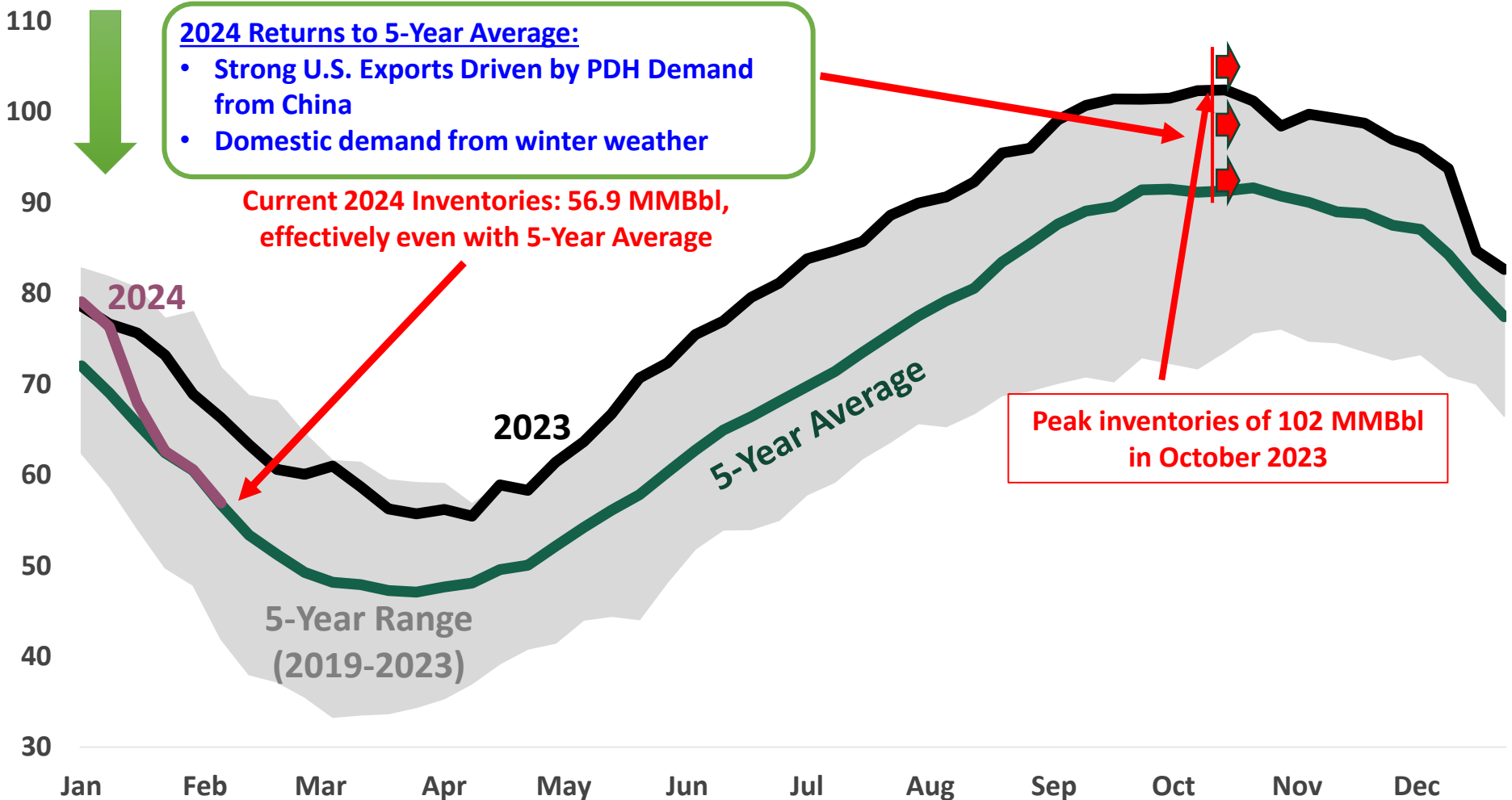
Maintenance Capital (\$MM)



U.S. Propane Stocks Return to 5-Year Average

Propane inventories return to 5-Year average as record withdrawals deplete 2023 storage overhang

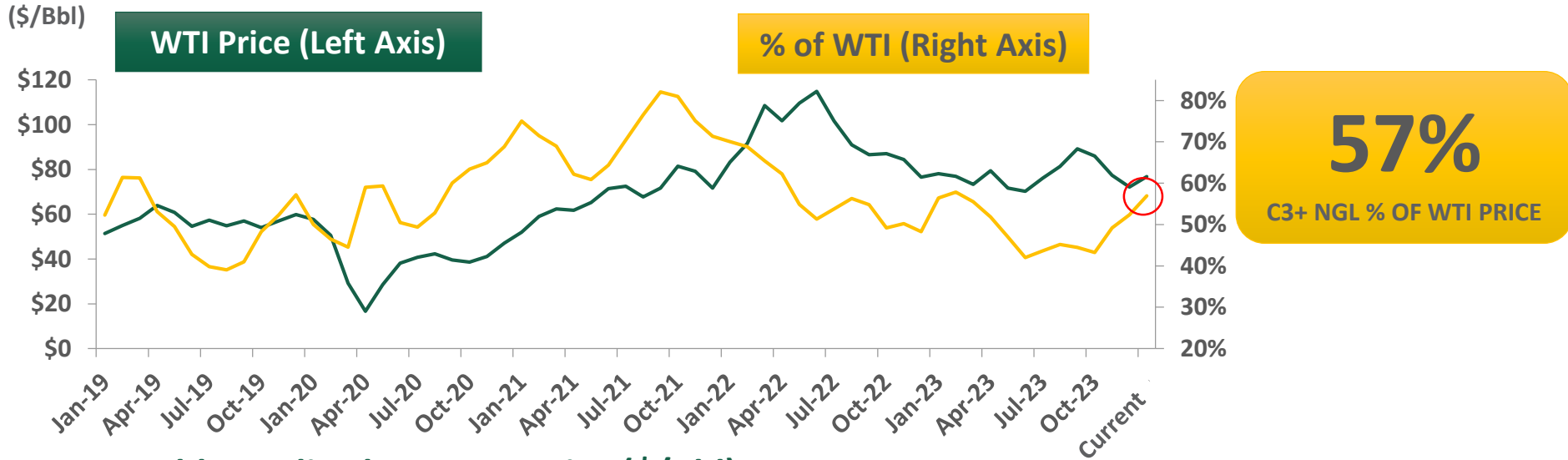
AR Monthly Realized C3+ NGL Price (MMBbl)



NGL Price Trend

Driven by strong exports, C3+ pricing as a percentage of WTI is trending back to historical norms

WTI Oil Price vs. C3+ NGL Price as a % of WTI

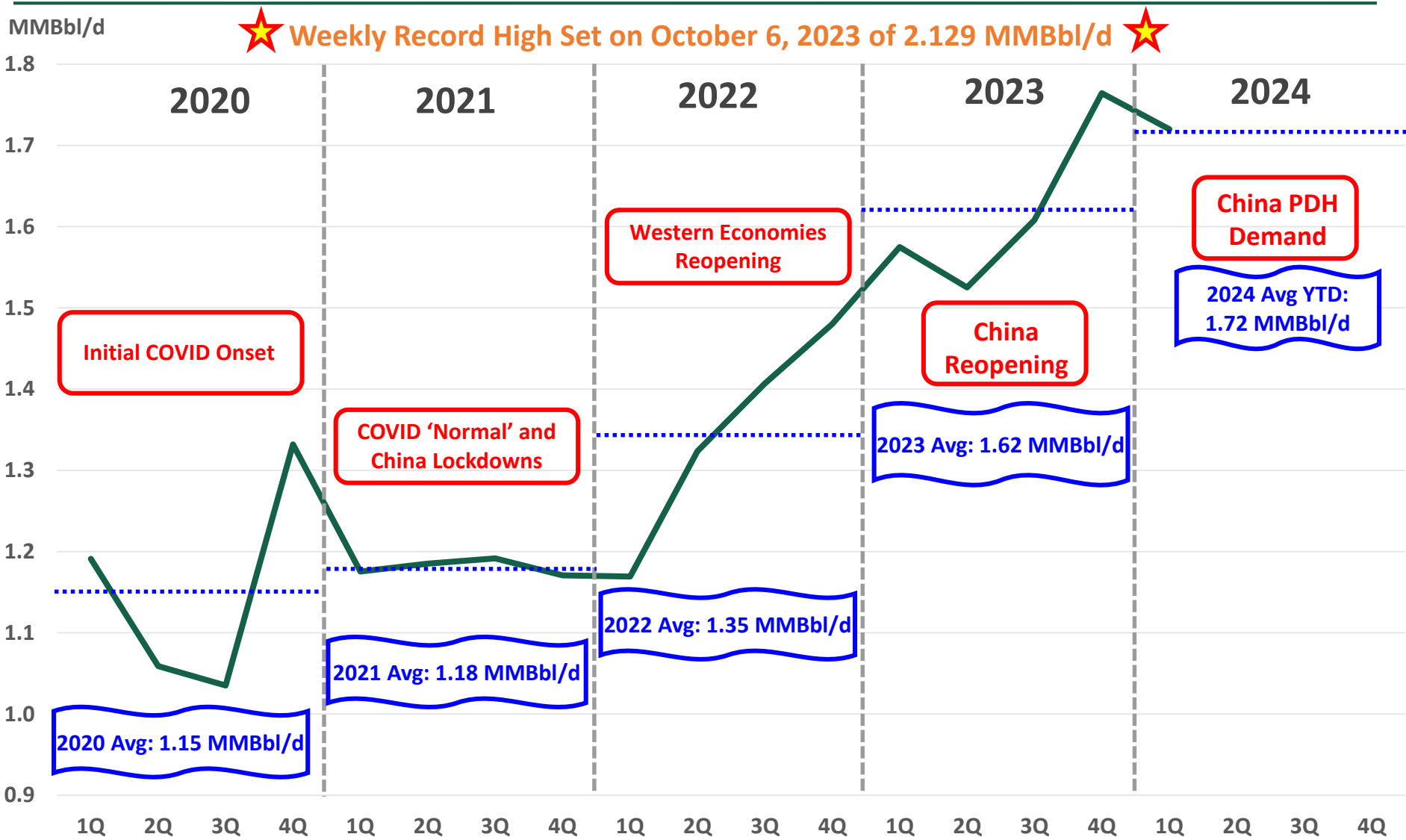


AR Monthly Realized C3+ NGL Price (\$/Bbl)



U.S. Exports of Propane Hit Record Highs in 2023

U.S. Exports of Propane/Propylene, Quarterly Average (MMBbl/d)

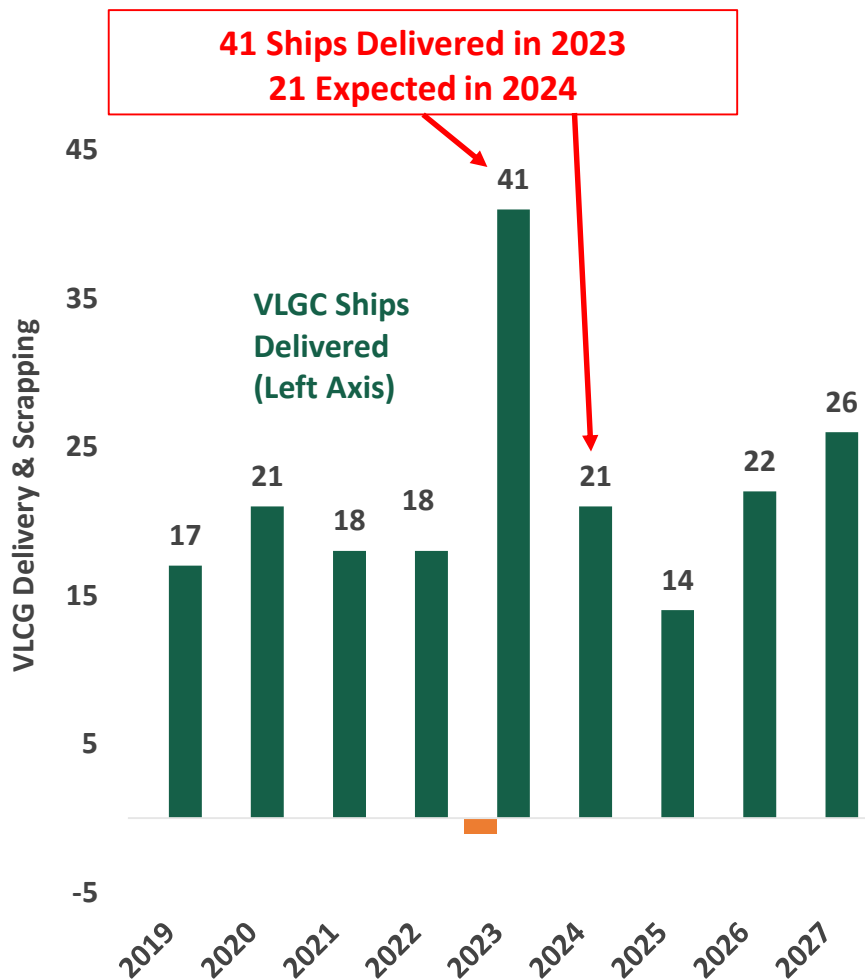


“VLGC” Shipping Buildout Retreats as Panama Canal Delays Alleviate

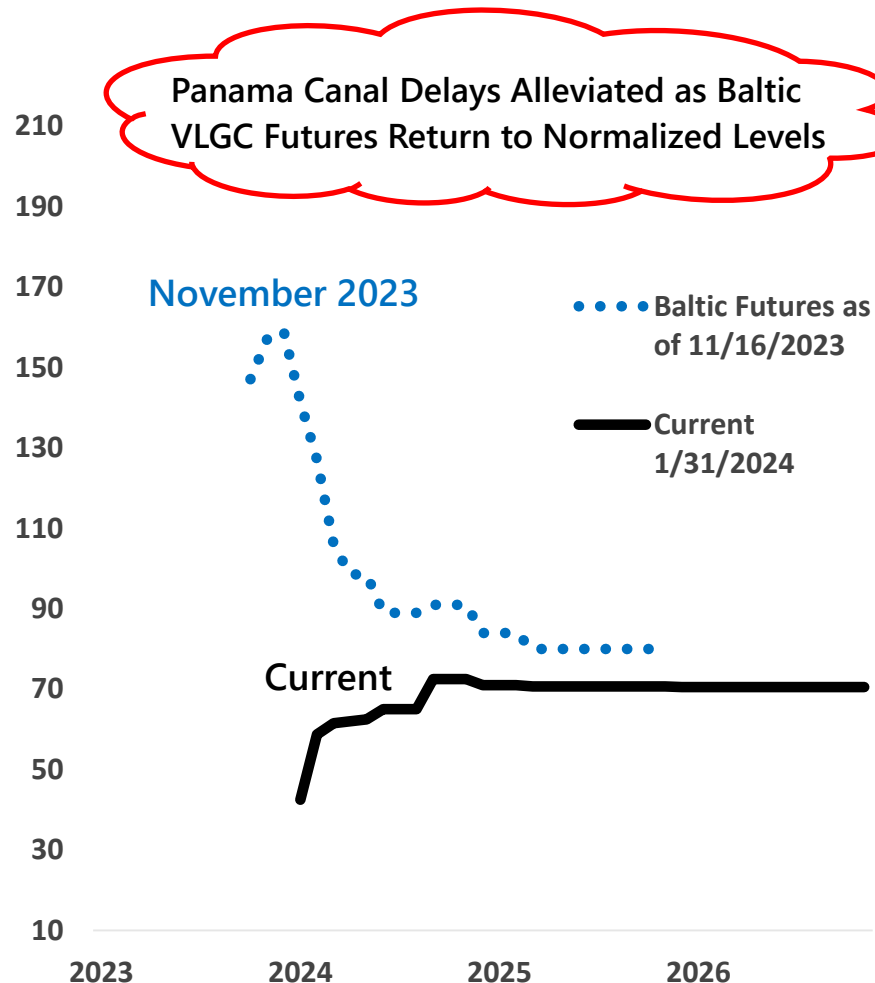
-Very Large Gas Carriers (“VLGC”) transport LPG (propane and butane)

A banner year for ship deliveries in 2023 as flattening Baltic VLGC futures reflect transit improvements at the Panama Canal

Global VLGC Fleet

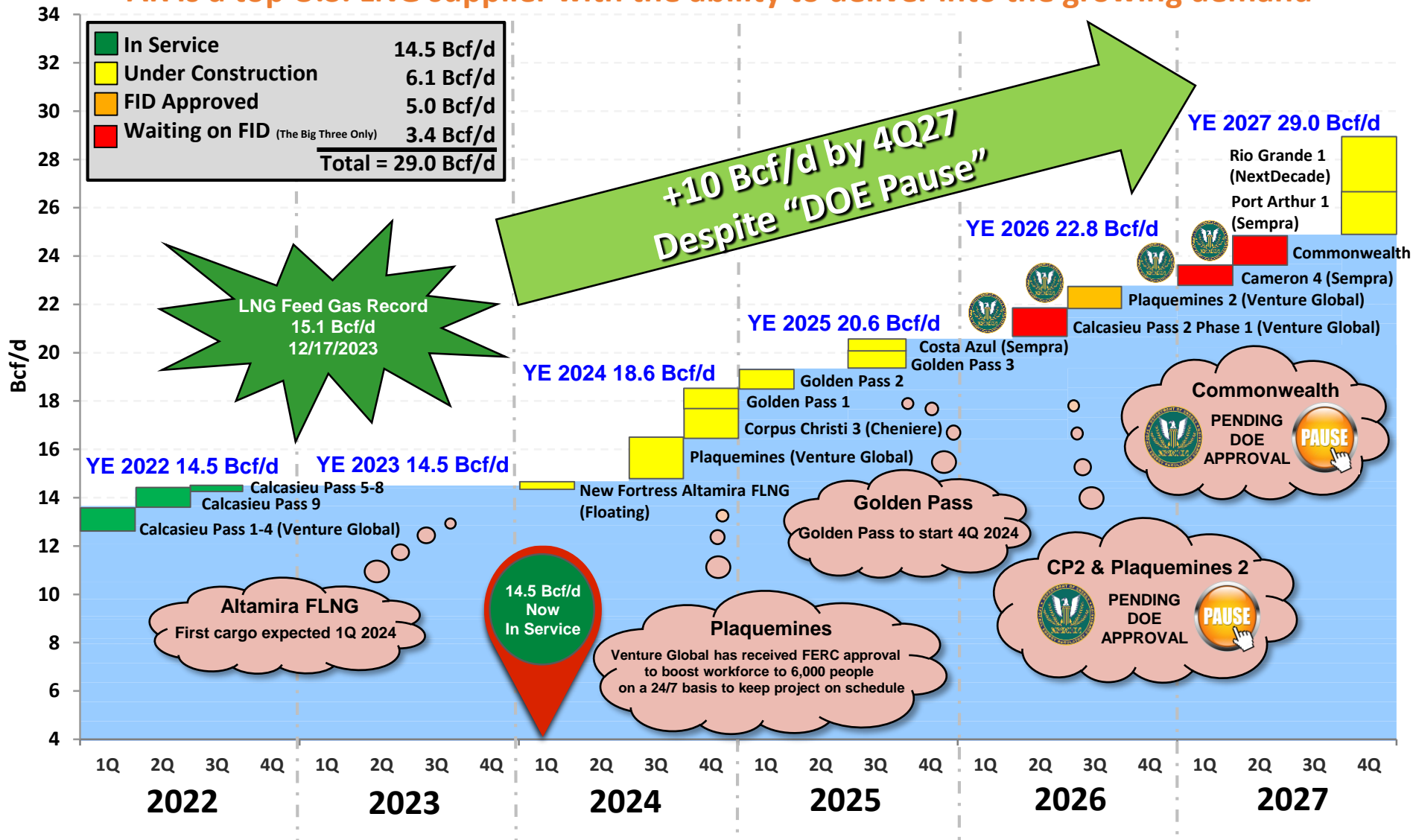


Baltic VLGC Futures (\$/Metric Ton)



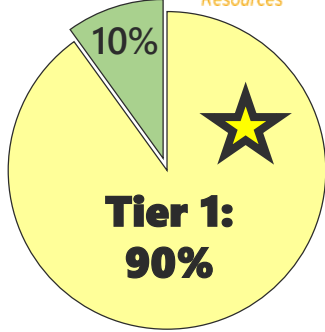
Demand: Growing Global LNG Market

AR is a top U.S. LNG supplier with the ability to deliver into the growing demand

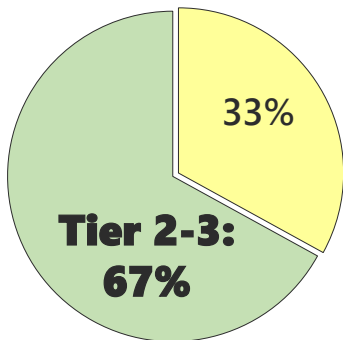


Not All Transport to the U.S. Gulf Coast is Equal

LNG Fairway Transport and Tiered Price Map



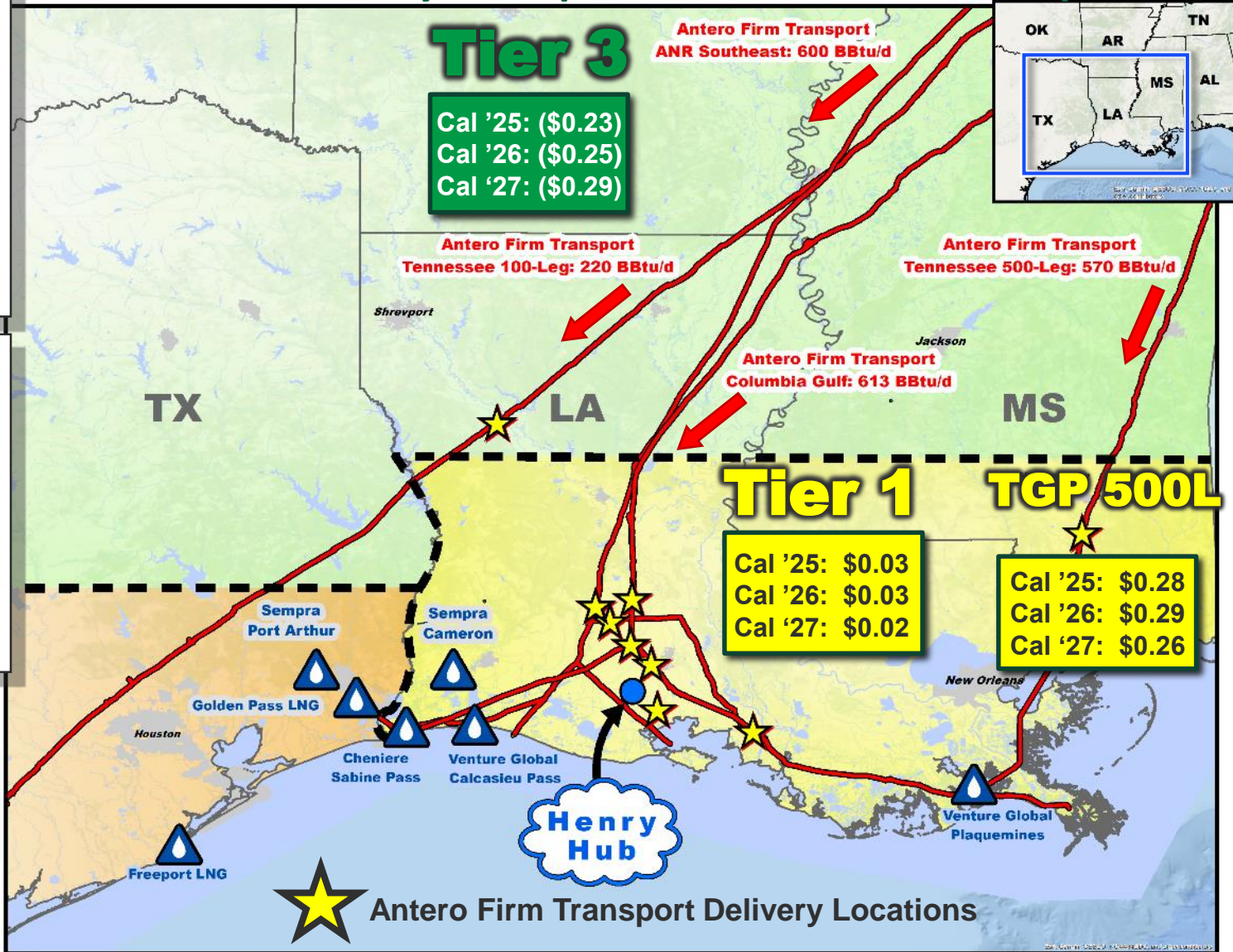
Peers⁽¹⁾



Tier 2

Cal '25: (\$0.20)
Cal '26: (\$0.20)
Cal '27: (\$0.22)

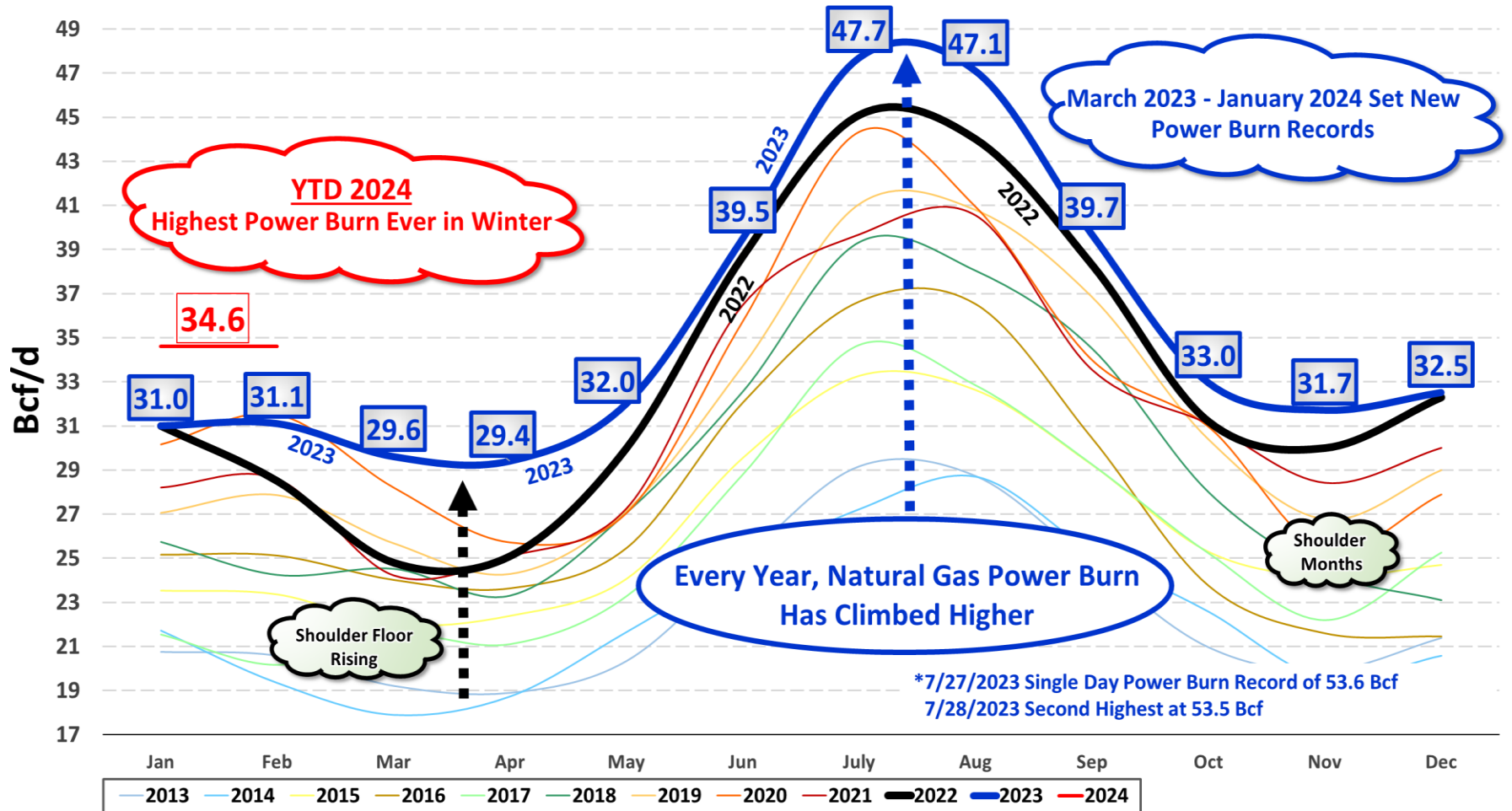
TX



Power Burn Demand Continues to Outperform

Fundamental rise in power burn continues in 2024 with January at record winter levels

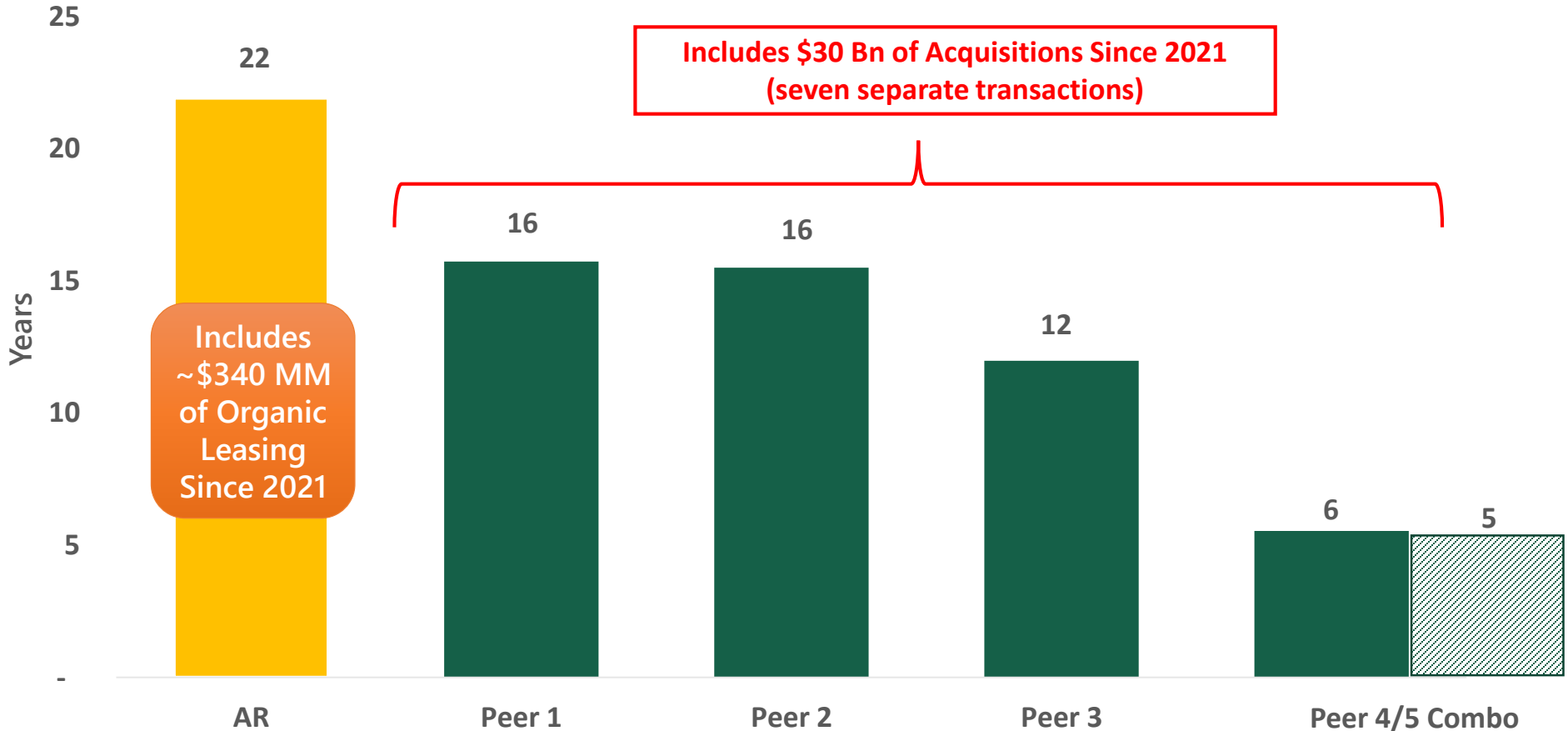
Natural Gas Power Burn Bcf/d



AR Has the Largest Low Cost Inventory

Appalachia Sub-\$2.75/Mcfe Inventory

(Years - Locations Based on 3rd Party Data)



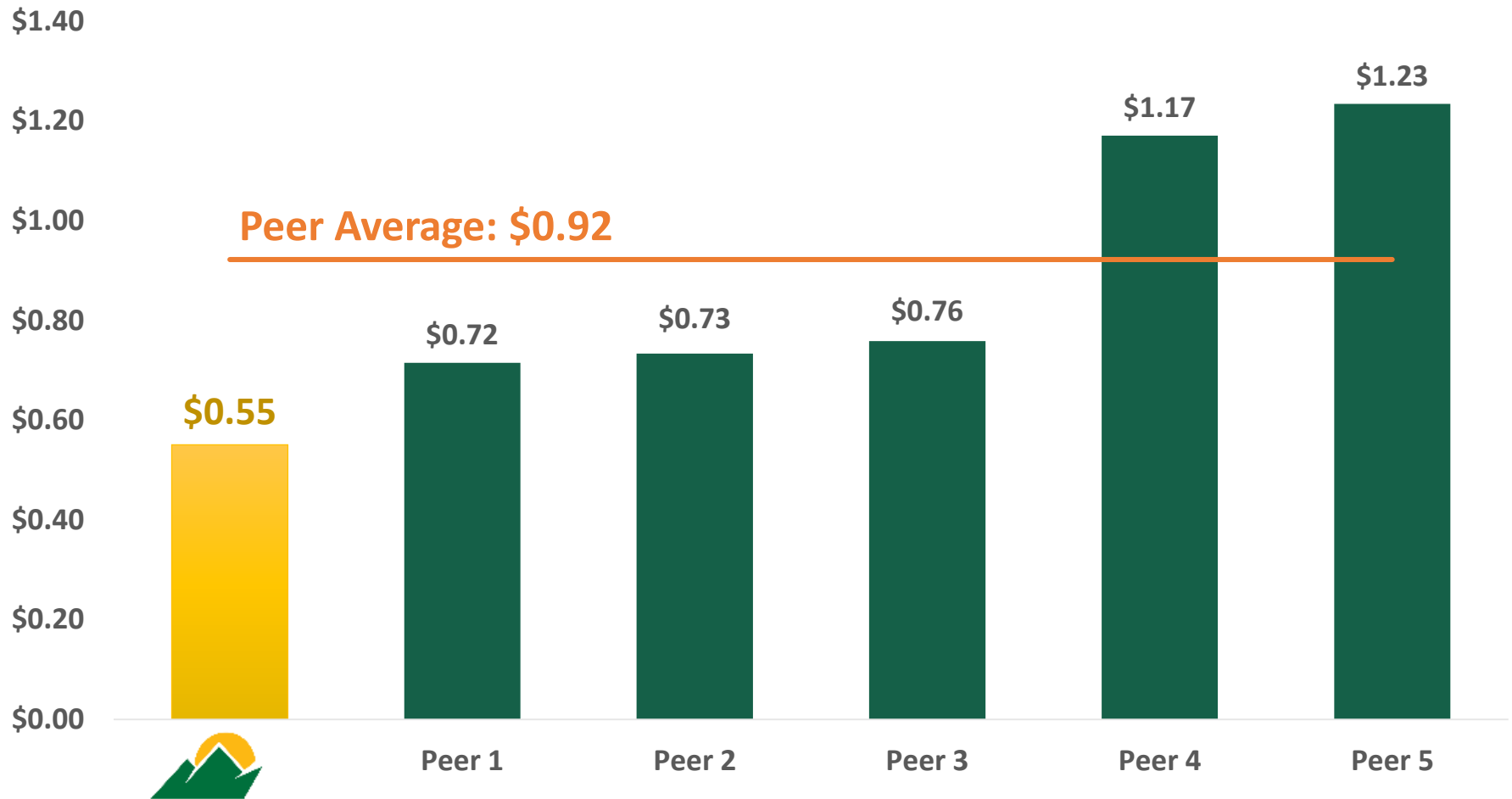
Peer rationale for M&A: ✓ Inventory ✓ Gulf Coast/LNG market access ✓ Balance Sheet Repair



Antero Capital Efficiency vs. Peers

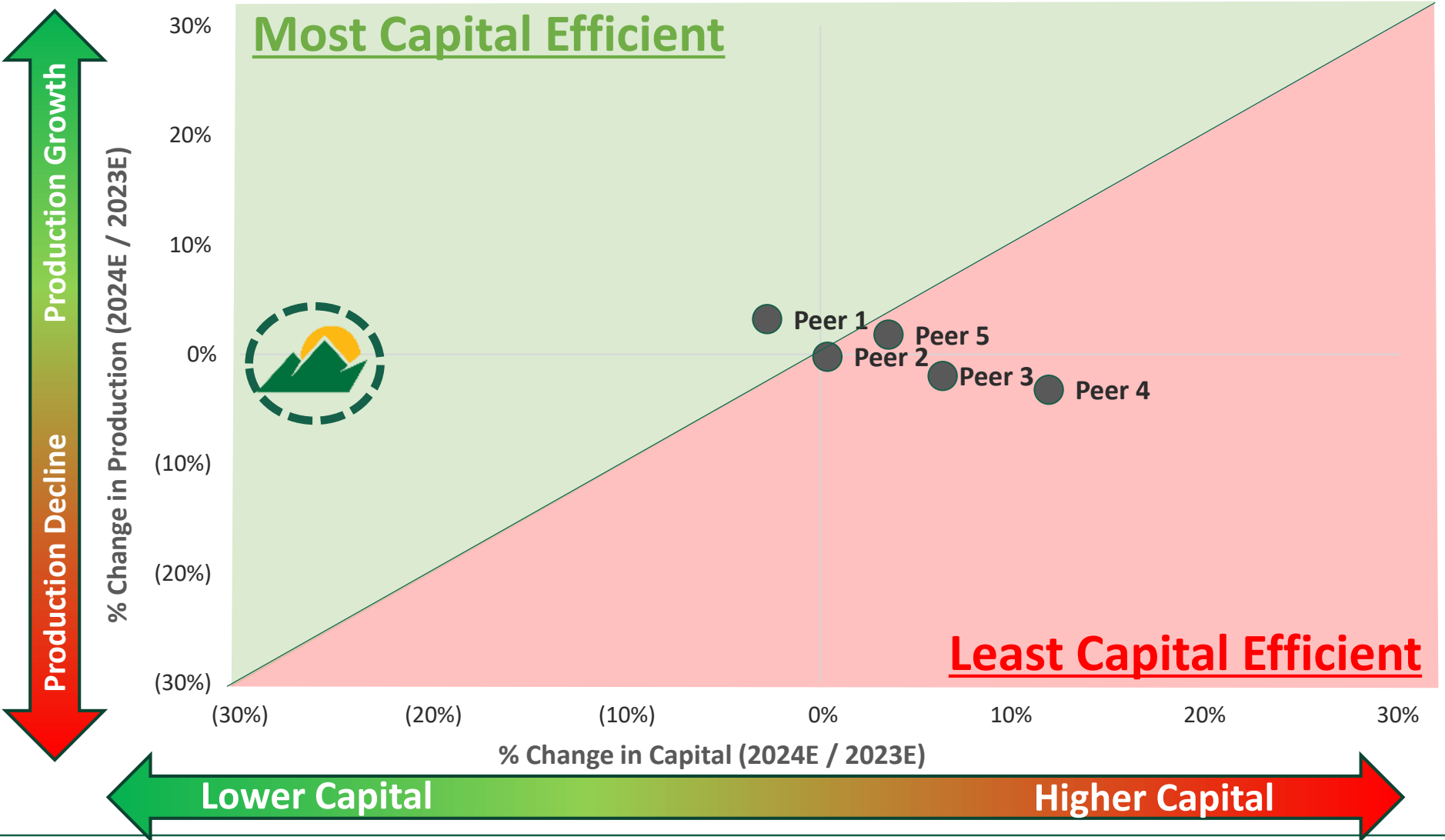
AR has the lowest CAPEX per Mcfe of its peer group, at just \$0.55/Mcfe

Capital Efficiency (2024E D&C Capital/ 2024E Production)



Antero Capital Efficiency vs. Peers

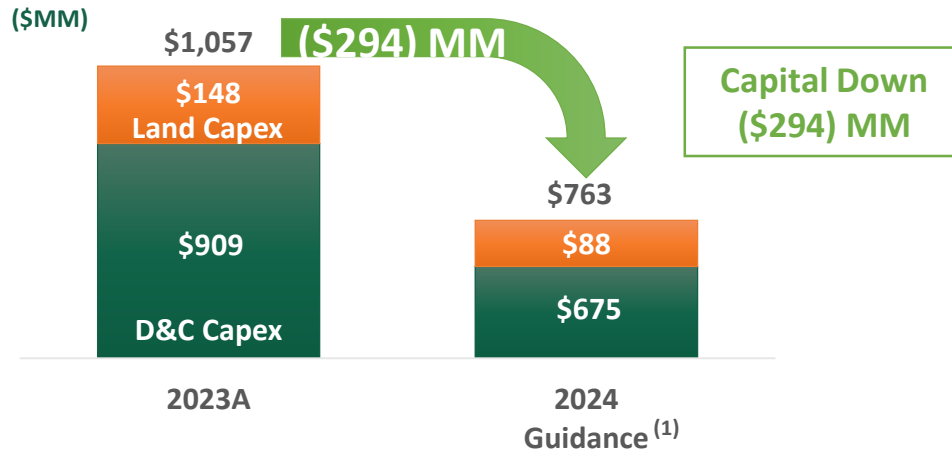
Change in D&C Capex vs. Change in Production (2024E / 2023E)



Free Cash Flow Drivers

Antero's capital efficiency and exposure to liquids is expected to add > \$400 million in incremental Free Cash Flow compared to 2023

AR D&C + Land Capital



2024E Free Cash Flow Impact

~\$430 MM

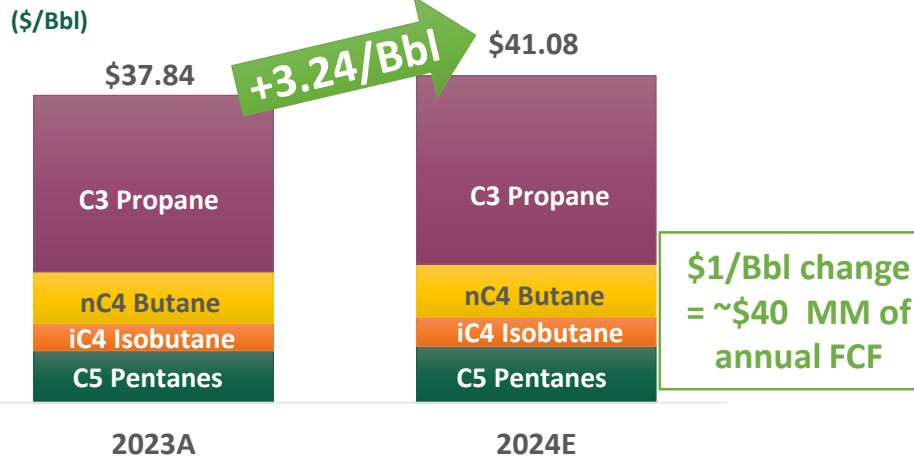
Capital Efficiency
~\$294 MM

Liquids Price Uplift
+\$135 MM

2024E Impact

2024E Cash Flow Impact

C3+ NGL Price (AR Bbl)⁽²⁾



Note: Free Cash Flow is a Non-GAAP metric. Please see appendix for additional disclosures, definitions and assumptions.

1) Represents midpoint of 2024 guidance.

2) C3+ NGL Mont Belvieu pricing based on AR NGL component barrel consisting of 57% C3 (propane), 9% isobutane (iC4), 17% normal butane (nC4) and 17% natural gasoline (C5+). 2024 strip pricing as of 02/14/2024.



Lowest Free Cash Flow Breakeven

Antero has the lowest Free Cash Flow Natural Gas Price Breakeven

2024E Unhedged FCF Natural Gas Price Breakeven ⁽¹⁾

(\$/Mcf Henry Hub)

Maintenance Capital

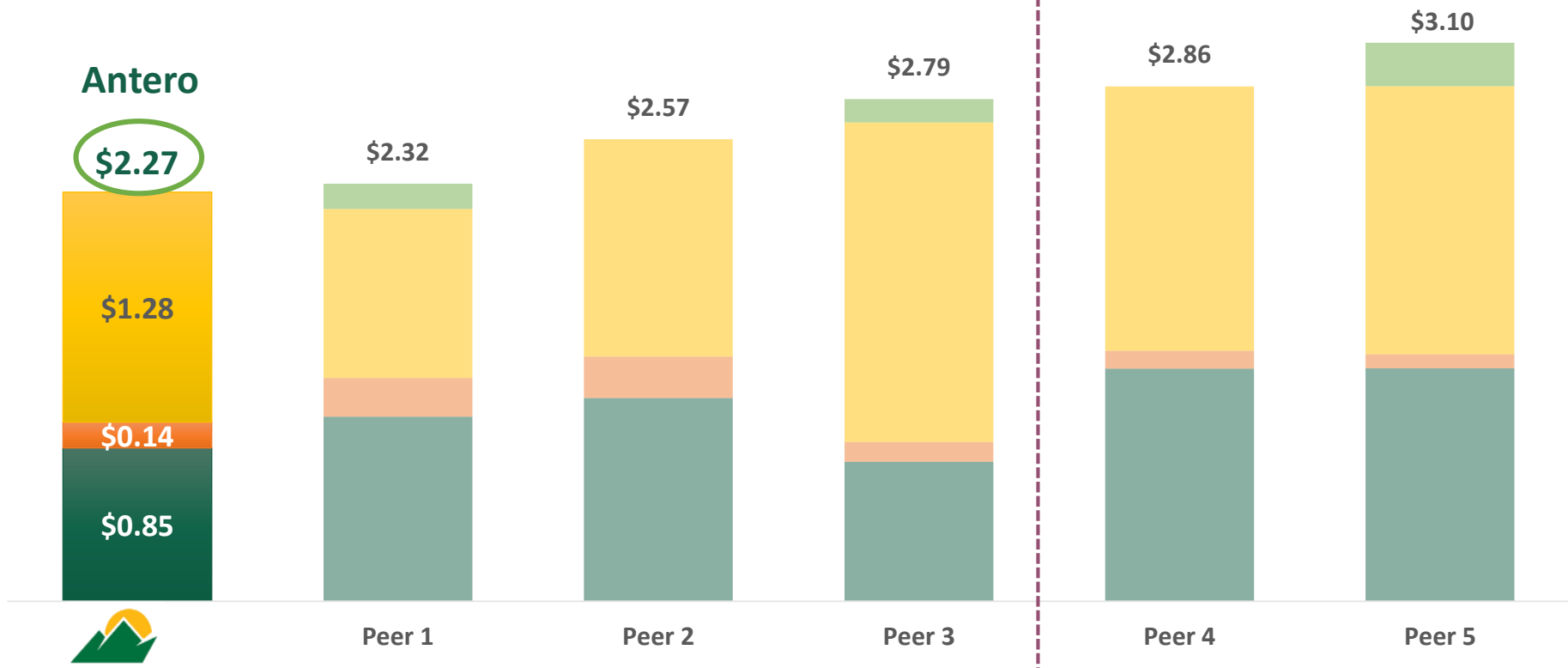
Interest Expense

Cash Costs + Basis - Liquids Uplift

Base Dividend

Appalachian Operators

Haynesville Operators





APPENDIX

Guidance

2024 Guidance Ranges

Net Production (Bcfe/d)	3.30 – 3.40
Net Natural Gas Production (Bcf/d)	2.155 – 2.165
Net Liquids Production (Bbl/d)	192,000 – 204,000
Natural Gas Realized Price <i>Expected Premium to NYMEX (\$/Mcf)</i>	\$0.00 - \$0.10
C2 Ethane Realized Price - <i>Expected Premium to Mont Belvieu (\$/Bbl)</i>	(\$1.00) - \$1.00
C3+ NGL Realized Price - <i>Expected Premium to Mont Belvieu (\$/Bbl)</i>	(\$1.00) - \$1.00
Oil Realized Price <i>Expected Differential to WTI (\$/Bbl)</i>	(\$10.00) – (\$14.00)
Cash Production Expense (\$/Mcfe) ⁽²⁾	\$2.45 – \$2.55
Net Marketing Expense (\$/Mcfe)	\$0.04 – \$0.06
G&A Expense (\$/Mcfe) <i>(before equity-based compensation)</i>	\$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 – 2.0 ⁽³⁾
Operated Wells Drilled	Wells Drilled: 40 - 45
Operated Wells Completed	Wells Completed: 45 - 50
Average Lateral Lengths, Drilled	Drilled: 14,700
Average Lateral Lengths, Completed	Completed: 15,500



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, transaction fees, gain or loss on sale of assets, loss on early extinguishment of debt, loss on convertible note inducement and equitizations and equity in earnings of and dividends from unconsolidated affiliates. Adjusted EBITDAX also includes distributions received with respect to limited partner interests in Antero Midstream Partners common units prior to the closing of the simplification transaction on March 12, 2019.

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 LTM Adjusted EBITDAX divided by net debt.

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, less proceeds from asset sales and less distributions to non-controlling interests in Martica.

The Company has not provided a reconciliation of Net Debt, Adjusted EBITDAX or Leverage as of or for the year ended December 31, 2023 to the nearest GAAP measures because it cannot do so without unreasonable effort and any attempt to do so would be inherently imprecise. See assumptions slide for more information regarding key assumptions.

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		Year Ended	
	December 31,		December 31,	
	2022	2023	2022	2023
Reconciliation of net income to Adjusted EBITDAX:				
Net income and comprehensive income attributable to Antero Resources Corporation	\$ 730,296	94,764	1,898,771	242,919
Net income and comprehensive income attributable to noncontrolling interests	63,832	21,169	127,201	98,925
Unrealized commodity derivative gains	(618,134)	(37,272)	(295,229)	(394,046)
Payments for derivative monetizations	—	—	—	202,339
Amortization of deferred revenue, VPP	(9,478)	(7,700)	(37,603)	(30,552)
(Gain) loss on sale of assets	(1,600)	—	471	(447)
Interest expense, net	25,120	32,608	125,372	117,870
Loss on early extinguishment of debt	652	—	46,027	—
Loss on convertible note inducements	—	288	169	374
Income tax expense	140,390	29,981	448,692	75,994
Depletion, depreciation, amortization and accretion	169,959	174,992	685,227	693,210
Impairment of property and equipment	69,982	6,556	149,731	51,302
Exploration expense	628	603	3,651	2,691
Equity-based compensation expense	12,221	14,531	35,443	59,519
Equity in earnings of unconsolidated affiliate	(17,464)	(23,966)	(72,327)	(82,952)
Dividends from unconsolidated affiliate	31,284	31,284	125,138	125,138
Contract termination, loss contingency, transaction expense and other	5,031	4,981	25,288	55,491
	602,719	342,819	3,266,022	1,217,775
Martica related adjustments ⁽¹⁾	(38,012)	(20,373)	(163,081)	(97,257)
Adjusted EBITDAX	\$ 564,707	322,446	3,102,941	1,120,518



Antero Resources Total Debt to Net Debt Reconciliation

	December 31,	
	2022	2023
Credit Facility	\$ 34,800	417,200
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	56,932	26,386
Unamortized debt issuance costs	(12,241)	(9,975)
Total long-term debt	\$ 1,183,476	1,537,596
Less: Cash and cash equivalents	—	—
Net Debt	<u>\$ 1,183,476</u>	<u>1,537,596</u>

