Right Company, Right Time

A Solutions Based Approach to Responsibly Produce Energy & Create Shareholder Value

April 2024

DIVERSIFIED energy

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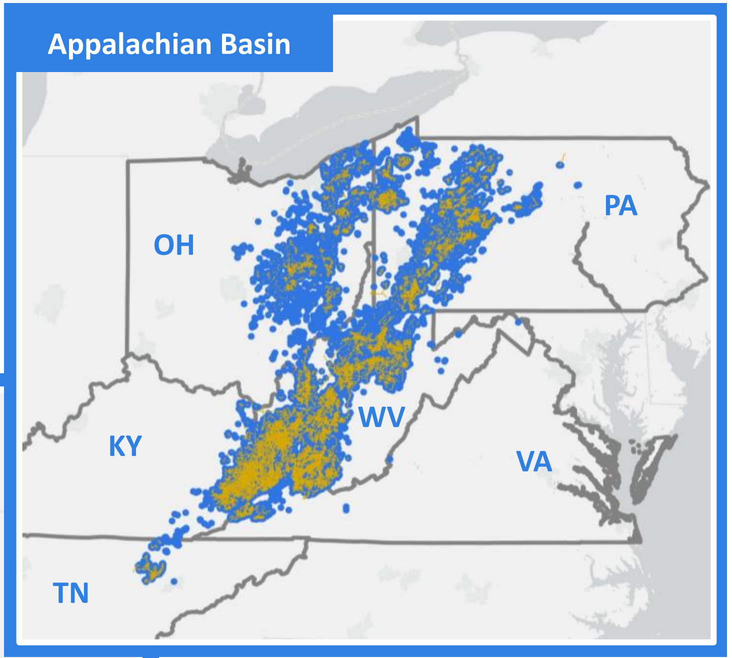
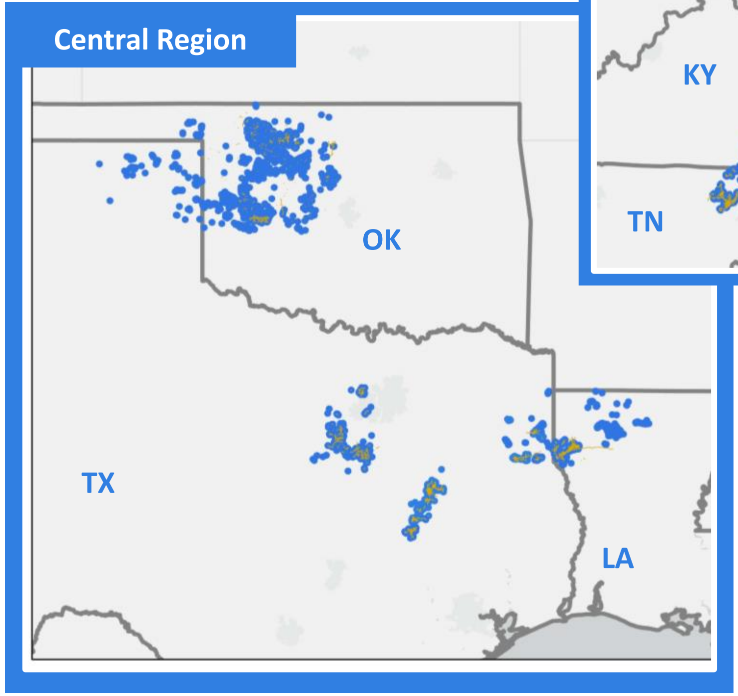
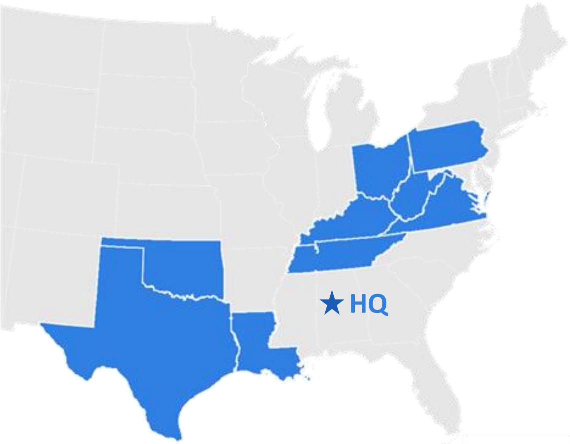
WHO ARE WE: OPERATOR OF U.S. ONSHORE DEVELOPED ASSETS

Appalachian Region:
Pennsylvania, West Virginia, Ohio, Kentucky, Virginia, Tennessee
~60% of Production

Central Region:
Oklahoma, Texas, Louisiana
~40% of Production







Upstream Assets
Midstream Assets

LSE: DEC (FTSE250); NYSE: DEC

Market and Trading Summary | April 4, 2024
(in millions, except share price)

Share Price	£9.88 / $12.51
Market Cap	£470 / $595
Net Debt	£1,014 / $1,285
Enterprise Value	£1,484 / $1,880
Leverage[(a)]	2.3x

Diversified Asset Highlights
(Fiscal Year 2023, except where highlighted)

Net Daily Production (Mboepd / MMcfepd)	137 / 821
Natural Gas Production Mix	86%
PDP Reserves (MMBoe / Tcfe)	642 / 3.8
Owned Midstream (Miles)	17,700

a) Measured as Net Debt at December 31, 2023, divided by Pro Forma Adjusted EBITDA for the twelve months ended December 31, 2023, adjusted for the annualized impact of previously announced acquisitions and divestitures

RELENTLESS FOCUS ON INCREASING VALUE

2023 Strategic Successes

- ✓ Commenced trading on the **New York Stock Exchange**
- ✓ Generated **$219 million of Free Cash Flow**
- ✓ **Decreased leverage to 2.3x**; realized ~**15% Debt reduction** in a challenged commodity price environment
- ✓ Delivered **record production** on stable, **~10% declines**
- ✓ Distributed **~$180 million in dividends, share repurchases**
- ✓ Awarded **OGMP 2.0 Gold Standard**; 2nd consecutive year
- ✓ **Retired more than 400 wells** across our operating regions
- ✓ Completed multiple, **accretive and innovative transactions**

821 MMcfepd
137 Mboepd
2023 Avg Production

10% Production Declines
Industry-leading

$543 Mn
2023 Adjusted EBITDA

2.3x Net Debt/ Adj. EBITDA
Consistent Leverage Profile

52% Cash Margins
50% or higher since 2017

$800+ Mn
Return of Capital since IPO[(a)]

"Diversified is the right company at the right time to deliver long-term stakeholder returns while also providing the solution to existing, long-life producing wells that have become non-core assets for other operators."

-Rusty Hutson, Co-Founder and CEO

a) Includes the total value of dividends paid and declared and share repurchases (including Employee Benefit Trust) since the Company's February 2017 IPO

Disciplined Strategy

Positioned to Take Advantage of Opportunities and Navigate Commodity Price Cycles

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DELIVERING ON A DE-RISKED PRODUCTION MODEL

Commodity Price Risk
- ✓ Dynamic hedging sustains realized pricing and delivers consistent cash margins

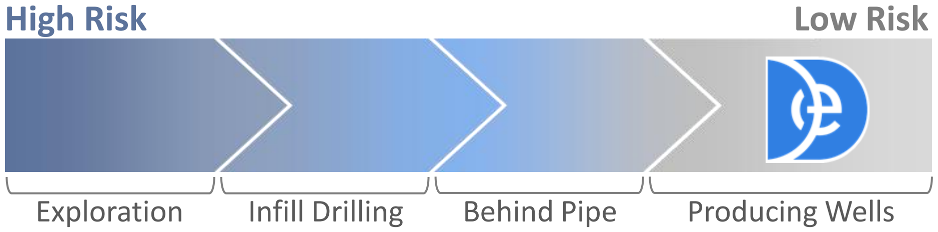
Development/Operational Risk
- ✓ PDP focus eliminates the need for drill-bit exploration
- ✓ Smarter Asset Management enhances production
- ✓ Predictable, low & peer-leading corporate declines

Financing Risk
- ✓ Investment grade, low fixed rate, fully amortizing debt limits interest rate and maturity exposure
- ✓ ABS structure provides natural de-leveraging

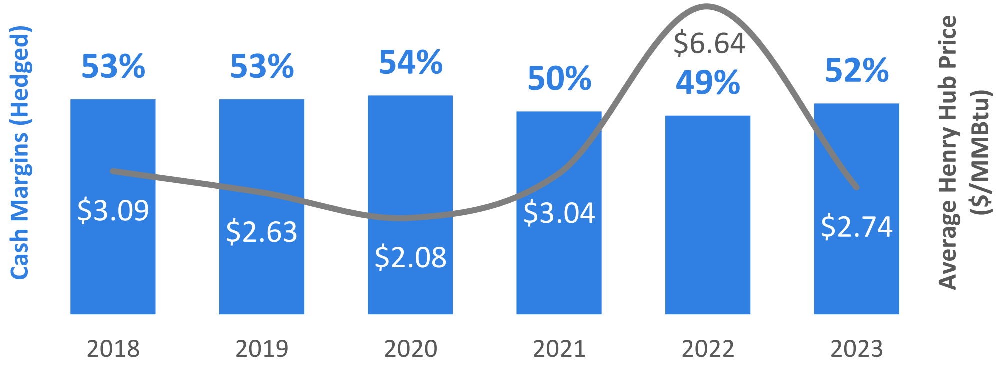
Environmental Risk
- ✓ Stewardship model focused on reducing emissions and improving already producing long-life assets
- ✓ Best-in-class sustainability reporting

Diversified's business model reduces exposure to typical industry risk factors

Oil & Gas Development Risk Spectrum

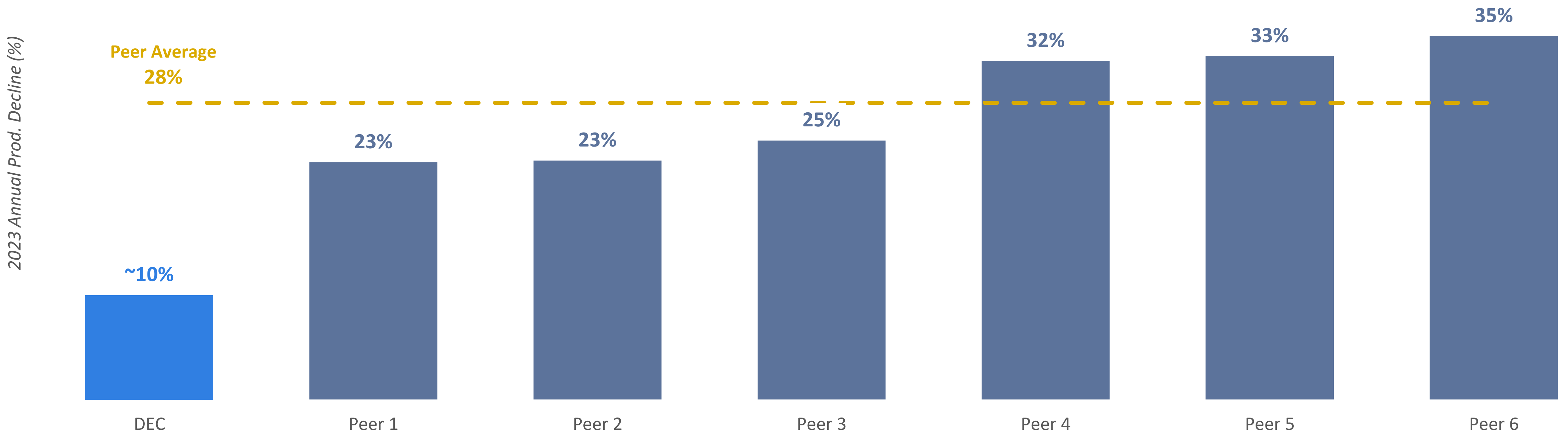


Positioned to Generate Consistent Cash Flow



Average Henry Hub price based on value of settled monthly futures contracts for the periods presented

LOW PRODUCTION DECLINES CREATE DISTINCT ADVANTAGES



Capital Intensity	DEC	Peer 1	Peer 2	Peer 3	Peer 4	Peer 5	Peer 6
	$0.25/Mcfe	$0.79/Mcfe	$0.86/Mcfe	$0.95/Mcfe	$1.09/Mcfe	$1.28/Mcfe	$1.44/Mcfe

Superior Capital Intensity

Eases pressure to replace production and maintains generation of free cash flow

Enhanced Free Cash Flows

Available for reinvestment, return of capital, debt repayment and sustainability investments

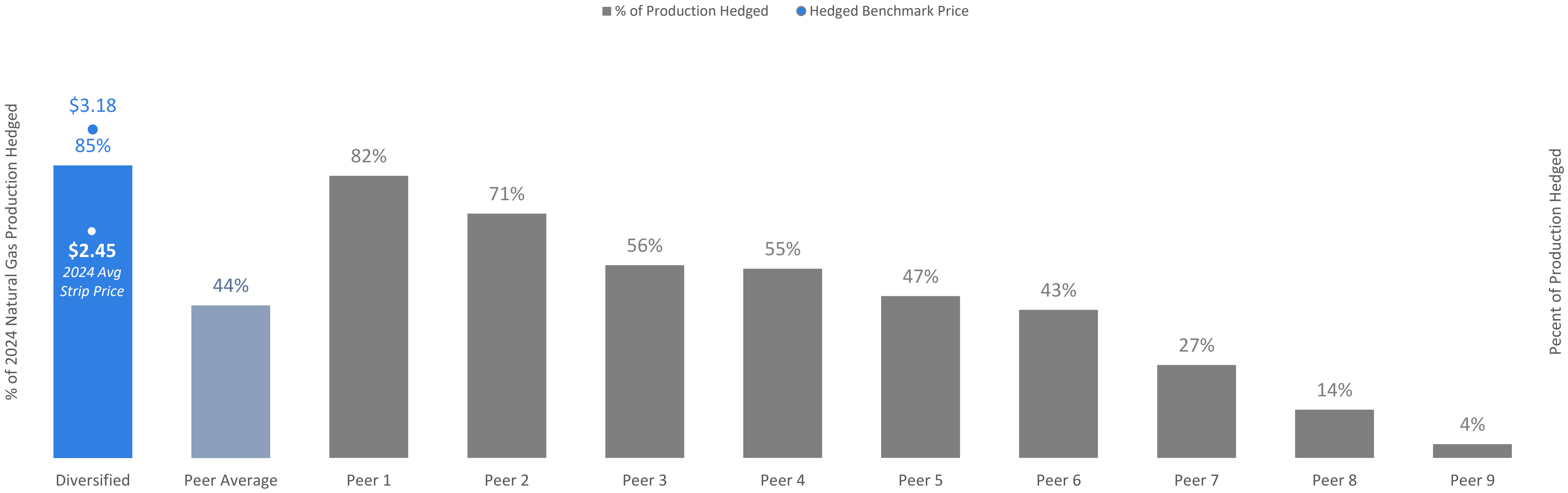
Greater Value Creation & Return

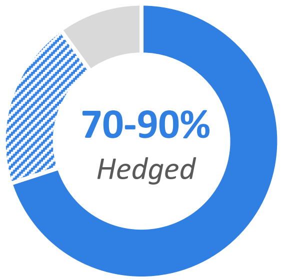
Organic capital generation rate exceeds that available to industry peers with higher capital intensity

Source: Company Data, Enverus, Factset;
Peers include AR, CHK, EQT, GPOR, RRC and SWN
Capital Intensity calculated as 2023 capital expenditures divided by 2023 net total production

HEDGING STRATEGY MITIGATES RISKS, ENHANCES RETURNS

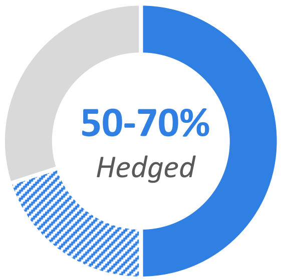
Diversified Stands Out with Natiral Gas Price Protection





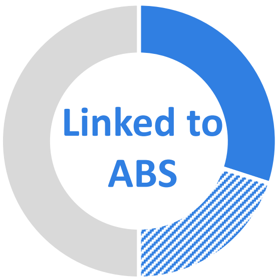
1-12 Months

Maintain robust margins by reducing commodity price risk



13-24 Months

Opportunistically add value and cover future distribution



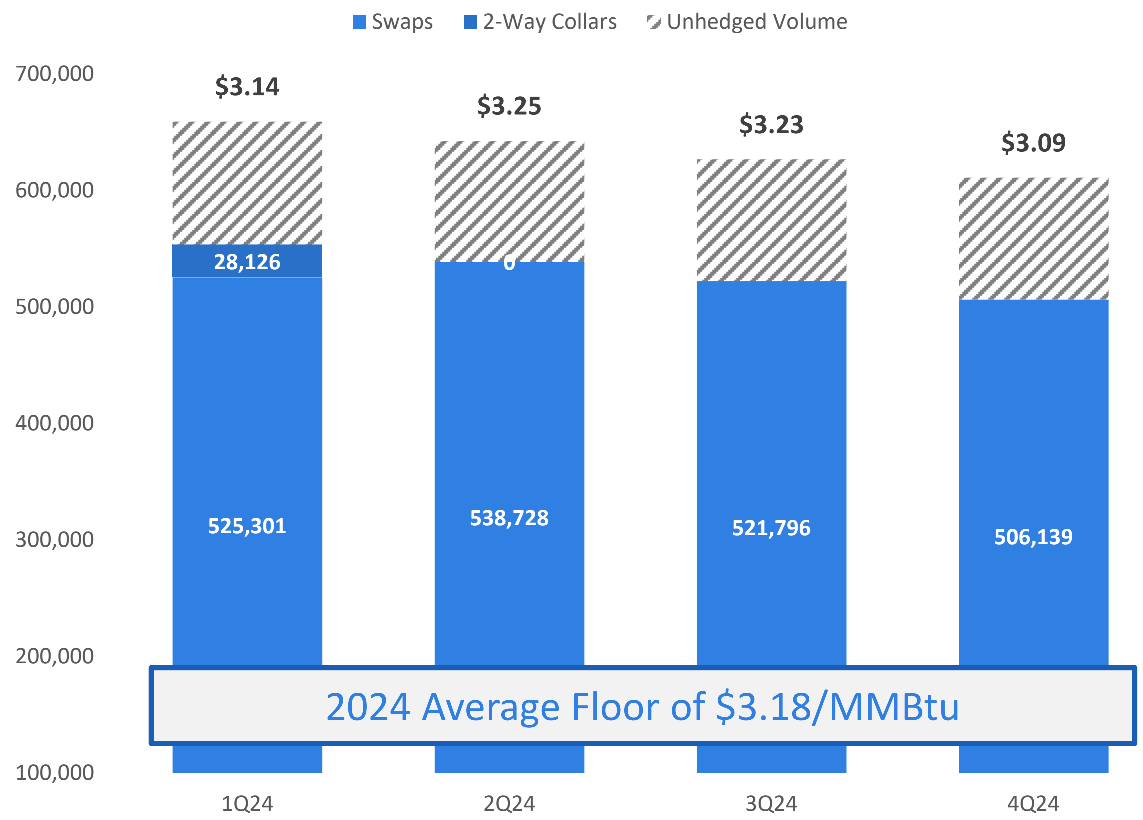
25+ Months

Long-dated Hedge Portfolio underpins investment-grade debt and fully-amortizing notes

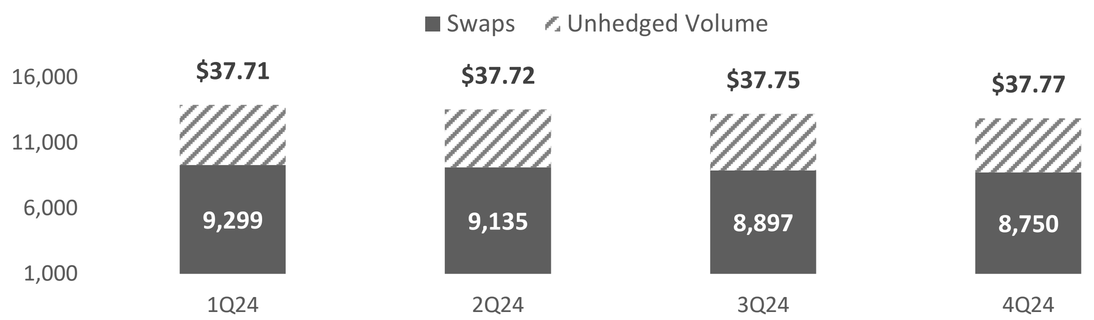
Diversified hedge position as of February 29, 2024; Does not include hedges associated with previously announced Oaktree Capital Management ("OCM") transaction
NYMEX Strip for 2024 includes settled contracts for Jan-March 2024 and futures pricing for REM24 using NYMEX strip as of March 1, 2024; Source: Factset
Peers include AR, Ascent Resources, CHK, CNX, CRK, EQT, GPOR, RRC, and SWN; Source: Company Data and Factset

SUBSTANTIALLY HEDGED TO SECURE CASH FLOWS

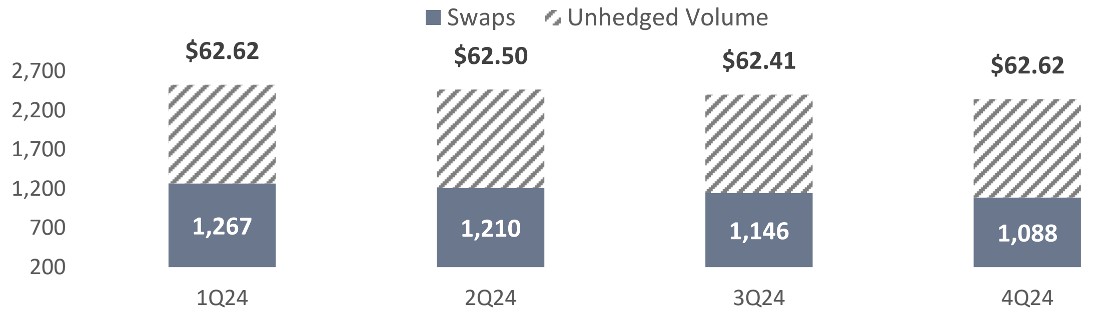
Natural Gas
(MMBTu/d)



NGLs
(Bbl/d)



Oil
(Bbl/d)



~85% of 2024 volumes are hedge-protected

Nat Gas hedged at a 25% Premium to Henry Hub

Hedge portfolio central to margin-focused strategy

Diversified hedge positions as of February 29, 2024; proportionate value of volumes hedged using illustrative 10% decline beginning with reported 4Q2023 production of 777 MMcfepd

UNLOCKING UPSIDE VALUE ON NON-CORE ASSET PORTFOLIO

Undeveloped Acreage Sales
As an operator of producing assets, sale of associated undeveloped acreage provides upside to valuations

Non-Op Divestitures
Focus on operated properties can provide liquidity and enhance control of field-level costs

Joint-Venture Agreements
Provide a strategic alternative to unlocking upside potential embedded in undeveloped properties

DrillCo Partnerships
Enable ability to deliver line-of-sight to longer-term organic growth in production

executed strategy

available strategy

History of Realising "Free" Upside
Allocation of value only to producing assets creates natural runway for value accretion

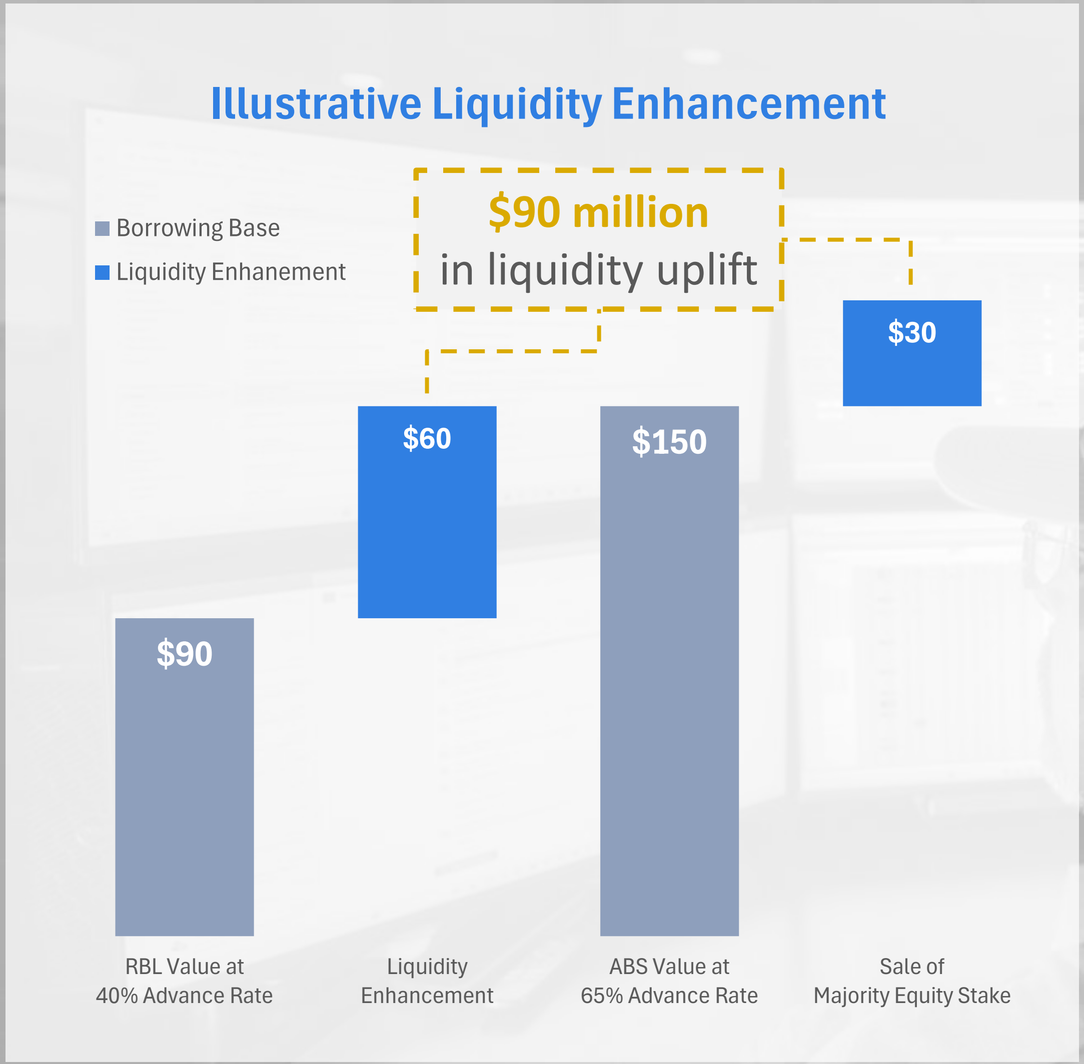
2019 | $10 Mn
Sale of Proved Undeveloped Wells

2021 | $34 Mn
Sale of Undeveloped Acreage

2023 | $240 Mn
Divestiture of Non-Operated Well Interests
Acreage and Leasehold Sales
Strategic Asset Monetization

Acreage and Leasehold Sales for 2023 includes amounts previously announced via RNS that occurred in July of 2023 and did not impact the financial statements of the Company's 2023 Interim Report

INNOVATIVE ASSET SALE PROVIDES LIQUIDITY AND REDUCES DEBT



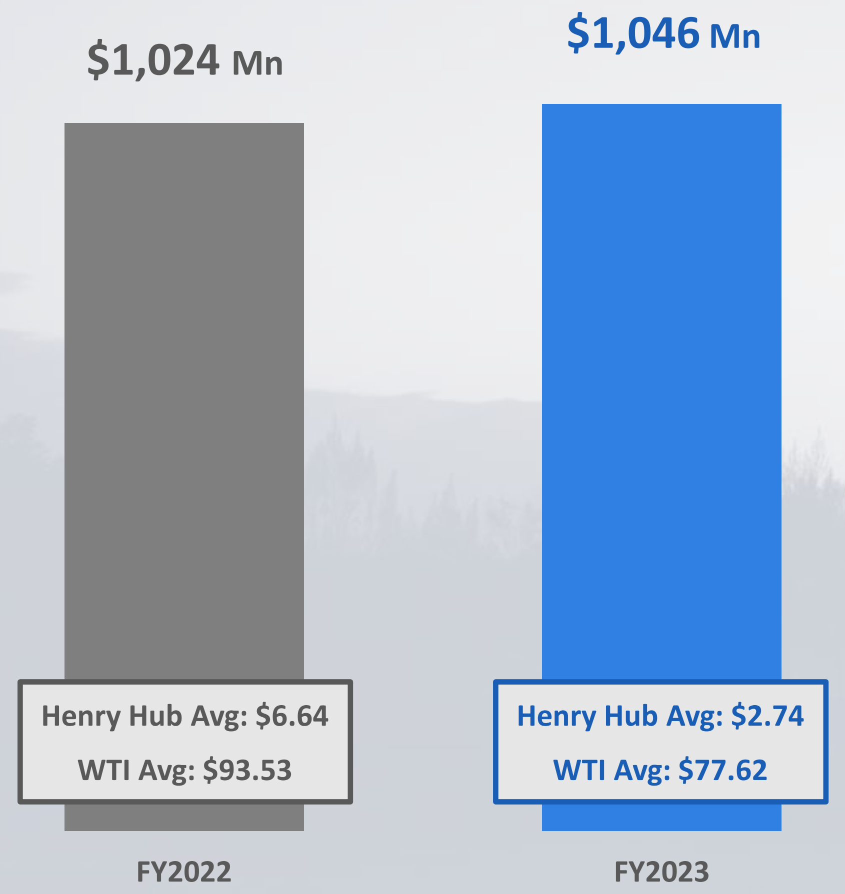
Industry-First Transaction Unlocks Value of Assets

- ✓ First-in industry sale of equity cash flows on amortizing debt
- ✓ Robust economics with a **5.7x Adj. EBITDA Multiple**
- ✓ Diversified retained a 20% minority interest
- ✓ Transaction both **reduced debt and increased liquidity**
- ✓ Movement of collateral from the credit facility to structured, amortizing debt accessed additional reserve value
- ✓ Residual cash flows from minority interest continue to support Diversified's consolidated cash flow profile

Illustrative liquidity enhancement scenario assumes asset PV-10 of $230 million dollars, 40% advance rate for Reserves based lending ("RBL"), 65% advance rate for ABS instrument ('ABS") and $30 million for sale of majority equity stake in residual cash flows from ABS instrument

ROBUST MARGINS IN ANY PRICE ENVIRONMENT

Total Revenue, Inclusive of Hedges



Hedged to Maintain Pricing

2023 hedge settlements of $178 Mn mitigated commodity price impact

Improvement in Unit Costs

Decreased 3% despite ongoing inflationary environment

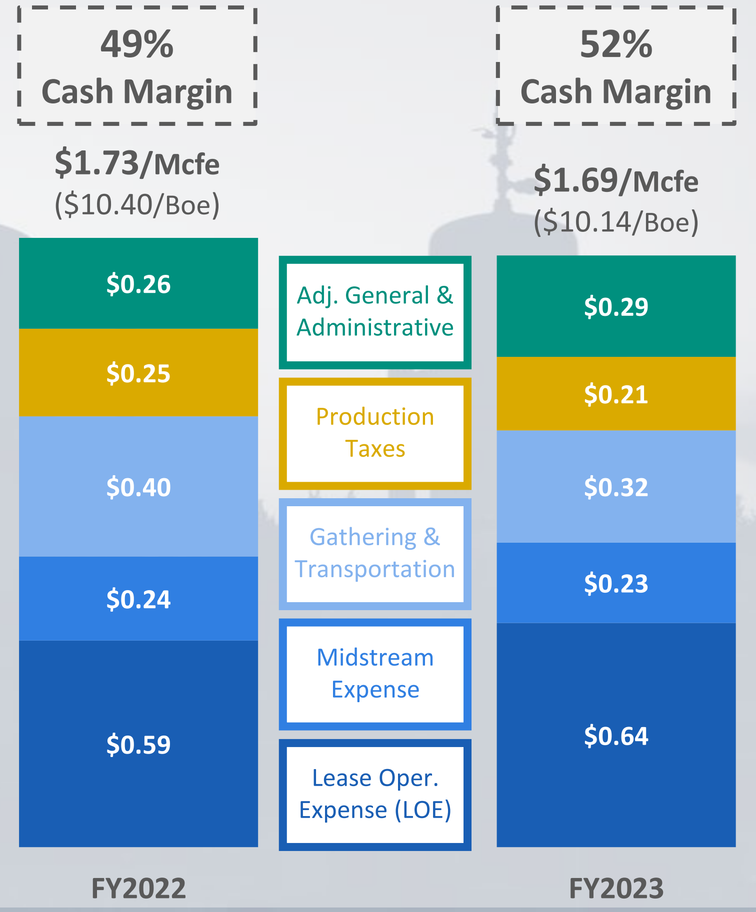
Variable Unit Cost Structure

Mitigates impact of production declines and supports margins

Favorable Impact of Pricing

Drove reductions in production taxes and certain G&T expenses

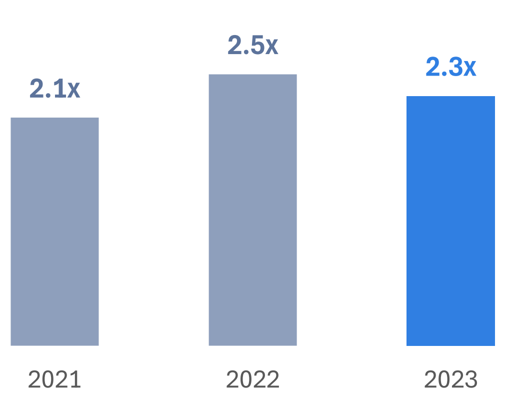
Adjusted Operating Cost per Unit



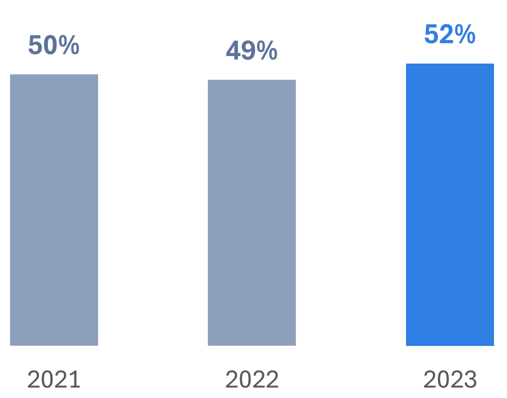
For Company-specific terms or Non-IFRS measures, please refer to the "Glossary of Terms", "Alternative Performance Metrics" and "Non-IFRS Reconciliations" within the Company's 2022 Annual Report
For all periods presented, certain expenses relating to Next LVL Energy have excluded from Base LOE (2022: $0.03/Mcfe; 2023: $0.07/Mcfe)
Where applicable, Henry Hub pricing given in $/MMBtu and WTI ("West Texas Intermediate crude") has been given in $/Bbl

MEASURING SUCCESS: KEY PERFORMANCE INDICATORS

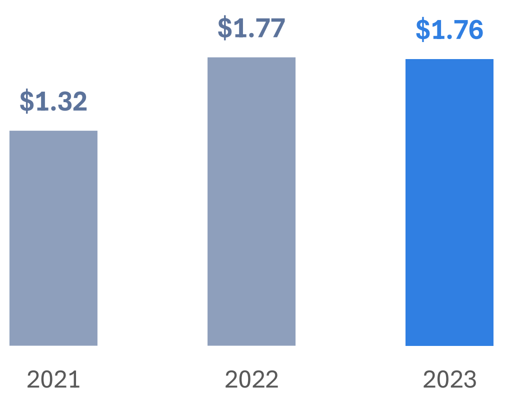
Maintain Leverage at or Below 2.5x
(Net Debt / Adj. EBITDA)



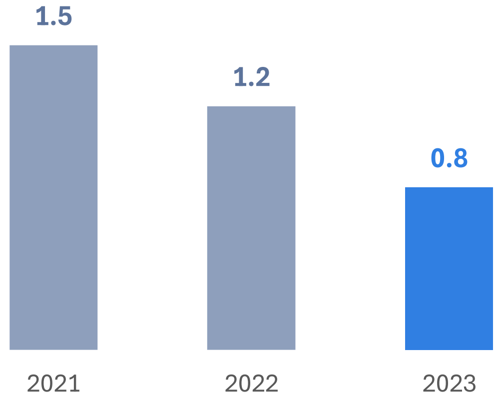
Consistent Adj. EBITDA Margin
(%)



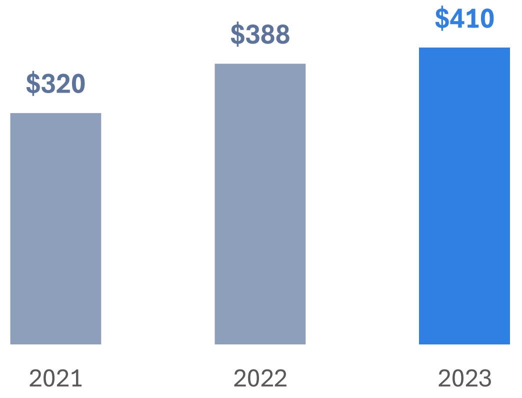
Adjusted Operating Cost per Mcfe
($/Mcfe)



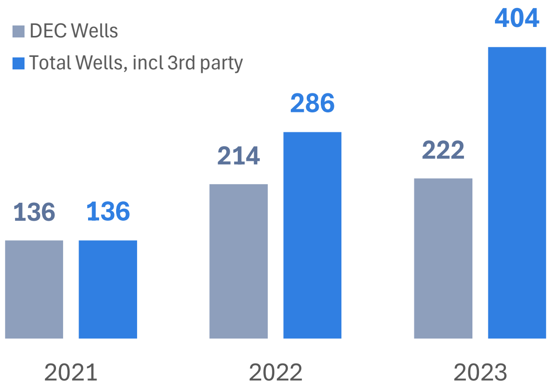
Methane Emissions Intensity
(MT CO2e/MMcfe)



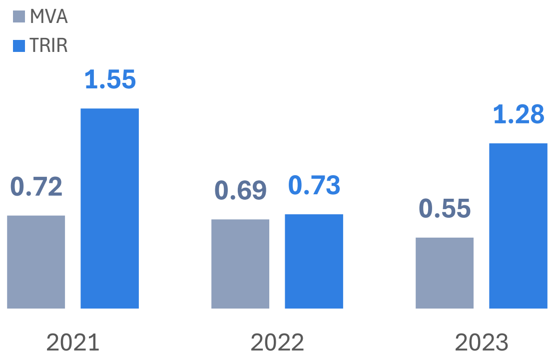
Net Cash p/b Operating Activities
($ millions)



Meet or Exceed State Retirement Goals
(wells retired)



Safety Performance
Motor Vehicle Accidents
Total Recordable Incident Rate



Key Performance Indicators allow stakeholders to measure Diversified's successful execution of its stated strategy

MVA = Motor Vehicle Accident Rate; TRIR= Total Recordable Incident Rate

New Life for Existing Producing Assets

Implementing Innovate Strategies and Promoting Technological Improvements

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MODERNIZING OPERATIONS THROUGH TECHNOLOGY

Modern Field Management Philosophy

- ✓ Common Systems enhance process efficiency, reliability
- ✓ Cloud First / Wireless First eliminate technical debt, and improves data collection, warehousing and analytics
- ✓ Data integration and governance standards improve reporting speed and reliability
- ✓ Scalable model decreases integration timelines and allows for standardized, repeatable processes
- ✓ Real-time monitoring, data visualization AI-powered analytics provide next-generation business insights

Developing a Scalable Platform with Low Total Cost of Ownership

Investing in Flexible, Innovative and Efficient IT and OT Systems

Driving Safe, Sustainable Value Creation Throughout the Company

OPERATIONAL INSIGHTS DRIVEN BY TECHNOLOGY INVESTMENTS

Well-Level Data Capture

Data + Human interaction of wellhead LTE connectivity, SCADA architecture and manual field data capture

Cloud-Based Infrastructure

Enables remote access to data, eliminates technical debt and enhances information security across the organization

Real-Time Monitoring

Leverage data visualization and operations technology to assist 24/7 monitoring of production, transportation and emissions

Emissions Detection

Invest in emissions detection equipment and processes, including systems like Qube and Project Canary, creating a pathway to certified RNG

Centralized Control and Visibility of Operations

Upstream Systems

- ✓ **Mitigates impact** of production disruptions
- ✓ **Assists production optimisation** activities
- ✓ **Enhances EHS awareness and responses**
- ✓ **Capacity to expand** to additional owned systems

Midstream Systems

- ✓ Enhances **visibility to product volume and flow**
- ✓ **Provides centralized oversight** for multiple systems
- ✓ Informs gas control technicians with **real-time reports**
- ✓ **Capacity to expand** to additional owned systems

EHS is a common acronym for Environment, Health and Safety

A DIFFERENTIATED STRATEGY FOCUSED ON EXISTING PRODUCTION

Smarter Asset Management ("SAM") Drives Ongoing Value

Daily operational efforts increase efficiencies and reduce environmental impact

The Result of a Unique Focus on Existing Production

Rather than emphasize development, field personnel remain hyper-focused on maximizing production and efficiency

Empowering the Workforce to Create Daily Successes

Ownership of field-level results engages and motivates personnel to deliver on asset optimization

Acquisitions Grow the Portfolio of SAM Opportunities

Increased scale allows for ongoing review and prioritization of high-return activities throughout the operating footprint

SMARTER ASSET MANAGEMENT IN ACTION

Central Region Workovers Improve Production

- ✓ Includes capitalized and expensed maintenance
- ✓ High-return projects pay back in under two months
- ✓ Offsets declines, extends economic production

Buildout of Appalachian Midstream Assets

- ✓ Construction of gathering lines for equity volumes
- ✓ Ensures product flow; mitigates interruption potential
- ✓ Saved $150k by leveraging in-house labor

Compression Optimization in Central Region

- ✓ Right-sizing of compression for consolidated footprint
- ✓ Elimination of unnecessary third-party equipment leases
- ✓ Annualized impact results in $2.0 million of savings

Deferral of DUC Completions (Tanos II)

- ✓ Preserves high-margin initial volumes for improved pricing
- ✓ Low corporate declines afford the ability to strategically time completions for highest returns

Case Study: Impact of 2023 Workovers

Central Region, Capitalized and Expensed

# of Workovers	158 wells
Total Cost	$2.9 million
Average Cost	$18 thousand
Total Uplift	25 MMcfepd
Average Payout	55 Days

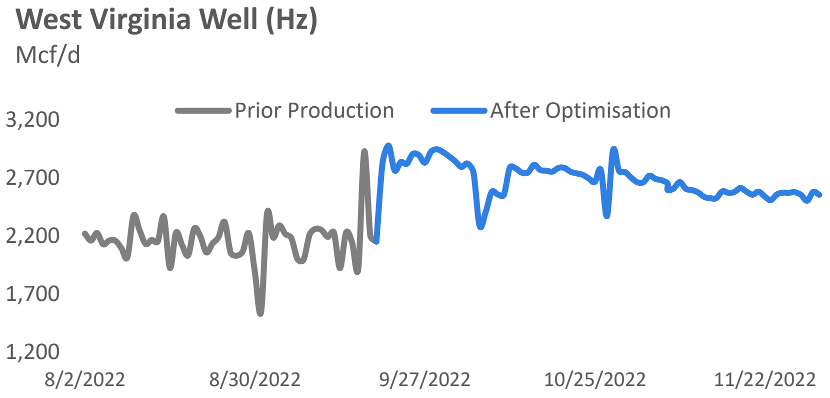
Low-cost, high-return projects mitigate approximately 30% of annual production declines

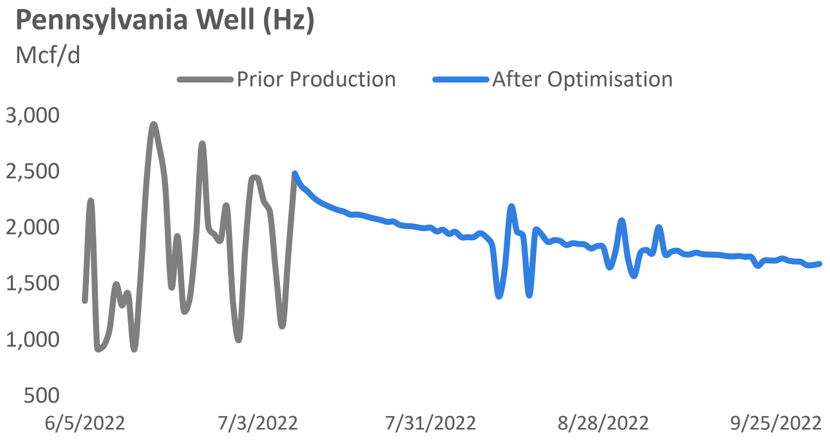
CREATING VALUE ACROSS OPERATING REGIONS

Multiple Operating Regions = Multiple Resource Pools
Expansion to the Central Region increased the potential for knowledge-sharing and transfer of available inventory

Operating Scale Results in Smarter Asset Management Win
Operations identified the ability to utilize surplus capillary string equipment in Central Region for well optimization in Appalachia

Capillary String Well Treatment Applied in Appalachia
Implementation in Appalachia was highly successful and multiple well sites are under review for continued utilisation





Capillary string well treatments improves production without the need for workover rigs or artificial lift systems

Priorities & Performance

Unlocking the Path to Emissions Improvement and Measurable Impact

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ACHIEVED 2030 TARGET FOR SCOPE 1 METHANE EMISSIONS INTENSITY

Focus on Reducing Methane Emissions

- Leak Detection, Quantification & Repair
- Pipeline Integrity Enhancements
- Aerial LiDAR
- Remote Monitoring
- Pneumatic Conversions
- Smarter Asset Management

- Carbon Credits
- Renewable Energy
- Future Technologies

Baseline Established
Board-Approved Targets

SHORT TERM | MEDIUM TERM | LONG TERM

DEPLOYED METHANE DETECTION TECHNOLOGY

Teledyne FLIR Si124[a]
an industrial acoustic imaging camera capable of locating pressurized leaks up to 10 times faster than traditional methods

Teledyne FLIR GT-44
a handheld detection device capable of detecting leaks as small as one PPM, currently deployed across our well tender staff

Opgal EyeCSite QOGI[a][b]
an imaging camera coupled up with artificial intelligence software that provides a leak rate by comparing the image it captures with a library of leak concentration images

Heath RMLD – CS
a handheld device capable of detecting leaks as small as one PPM for inspections of well pads and pipelines

SEMTCH HI-FLOW 2[a][b]
A highly accurate, handheld, portable device which quantifies fugitive emissions through state-of-the-art flow and gas sensing technologies

FLIR GF320
Used for regulatory compliance to inspect facilities and detect leaks at 100 PPM

We are leaders in methane detection

- Fit for purpose, efficient, effective
- Extensive field evaluations
- Additional tech being screened

Voluntary Leak Detection and Repair

- >246,000 handheld inspections in 2023
- Company-wide voluntary coverage
- 98% leak free on a facility basis

WE ARE…

MAKING LEAKS RARE BY LAND AND AIR

a) Newly acquired by Diversified in 2022
b) Diversified was the first company in the world to deploy this technology

INVESTING IN EMISSIONS RESOURCES: FIXED DETECTORS

Deploying Continuous Monitors

Technology	Nubo Sensirion	Qube
Primary Use	Continuous Leak Detection	Continuous Leak Detection & Measurement
Measurement Range Usage	• 2 ppm plus • OGMP 2.0 & **Proactive** • **Dashboard monitored 24/7 by DEC Integrated Operation Center**	• 0.1 scfh plus • OGMP 2.0 & **Proactive** • **Dashboard monitored 24/7 by DEC Integrated Operation Center**

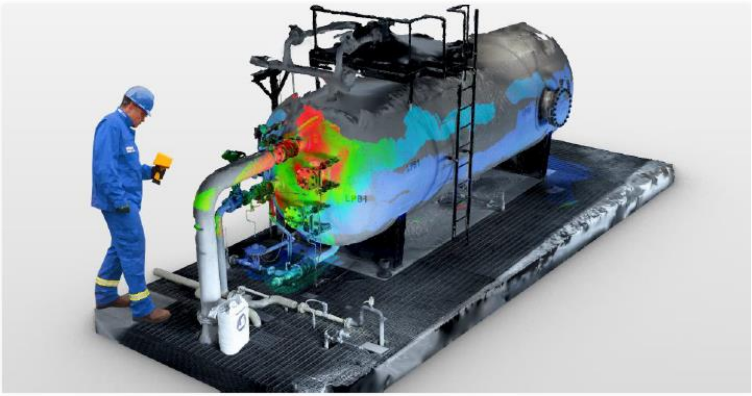
Nubo Sensirion

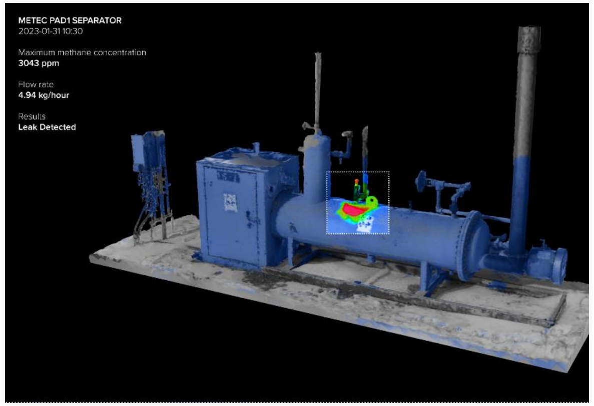
Qube

Continuous monitoring increases assurance and facilitates differentiated gas

2023 FIELD TRIALS - NEW TECHNOLOGY: LASER OPTICAL GAS IMAGING (OGI)

- **Working collaboratively with states to address federal requirements**
- **Held technical meetings in 2023**
- **Conducted multiple field trials in 2023 with efficient Laser OGI**
- **Opportunity:**
  - **Efficient inspections with minimal instruction**
  - **Quality of surveys not dependent on operator**
  - **Creation of digital twin audit trail**





Xplorobot Laser OGI delivers flange-level accuracy at a lower cost and labor requirements than IR OGI inspections

Digital Twin of equipment allows for precise flange-level localization

CONTINUED COMMITMENT TO STRONG SUSTAINABILITY PRACTICES

GOLD

Disclosed State-by-State Economic Analysis

Enhanced Biodiversity & Climate Risk Disclosures

Published 2023 ESG Performance Objectives

Best ESG Report 2023 from ESG Awards

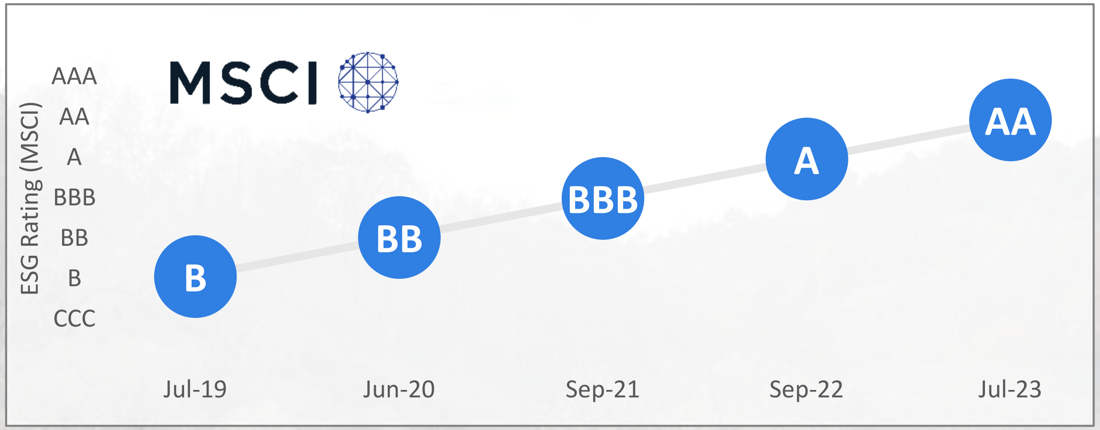
Achieved 'AA' Rating from MSCI Analytics

Awarded OGMP 2.0 Gold Standard
2nd Consecutive Year

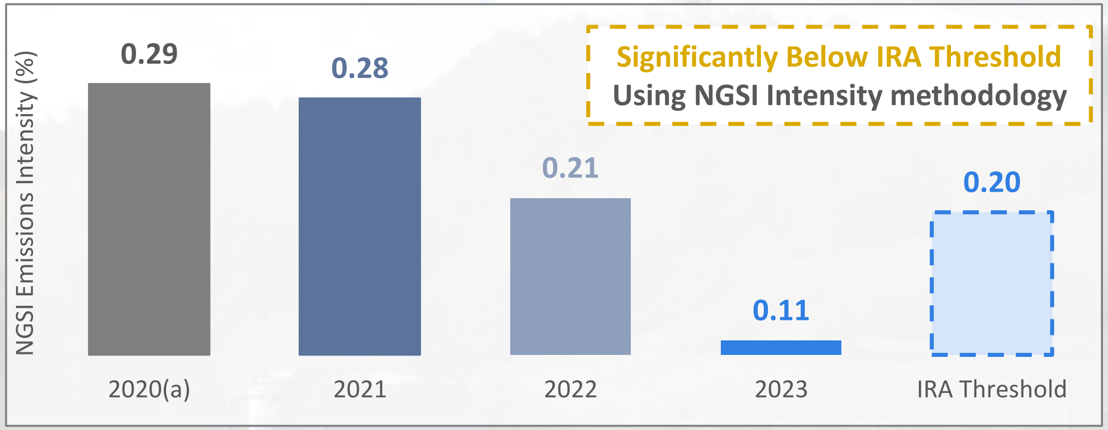
Sustainability Report Highlights

Recent ESG Achievements

ESG Scores Reflect Commitment to Sustainability and Transparency



Sustainability Strategy Drives Down Scope 1 Methane Intensity



a) As first reported at year end 2021, emissions data for 2020 have been revised to incorporate the impacts of 2021 Project Fresh initiatives which focused on replacing theoretical emissions figures with more exact metrics as the result of direct measurement and emissions device inventory processes

NEXT LVL ENERGY: SETTING A NEW STANDARD FOR RETIREMENT

Differentiated Outlook on Asset Retirement
Stewardship from acquisition to retirement ensures sustainable operations for the lifetime of assets

Efficiencies Obtained through Operating Scale
Full suite of service capabilities creates unique capacity for efficient and effective asset retirement

Uniquely Situated for Program Management
Full-scope services from permitting to plugging enhance ability to deliver internal efficiencies and provide third-party services to states and other operators

Strategy Driven by Innovation not Repetition
Cumulative experience from internal and third-party retirement provides process enhancement insights

Positioned to Lead in Appalachian Asset Retirement

As a wholly-owned subsidiary of Diversified, Next LVL Energy is strategically advantaged among Appalachian retirement companies:

- ✓ Financial stability
- ✓ Corporate support of NYSE & FTSE listed operator
- ✓ Positioned to innovate well retirement techniques
- ✓ Strong industry and state relationships

PROVIDING THE SOLUTION FOR END OF LIFE

Exceeding State Requirements

Total wells retired continue to significant exceed levels mandated through state agreements

Retirement of Orphan Wells

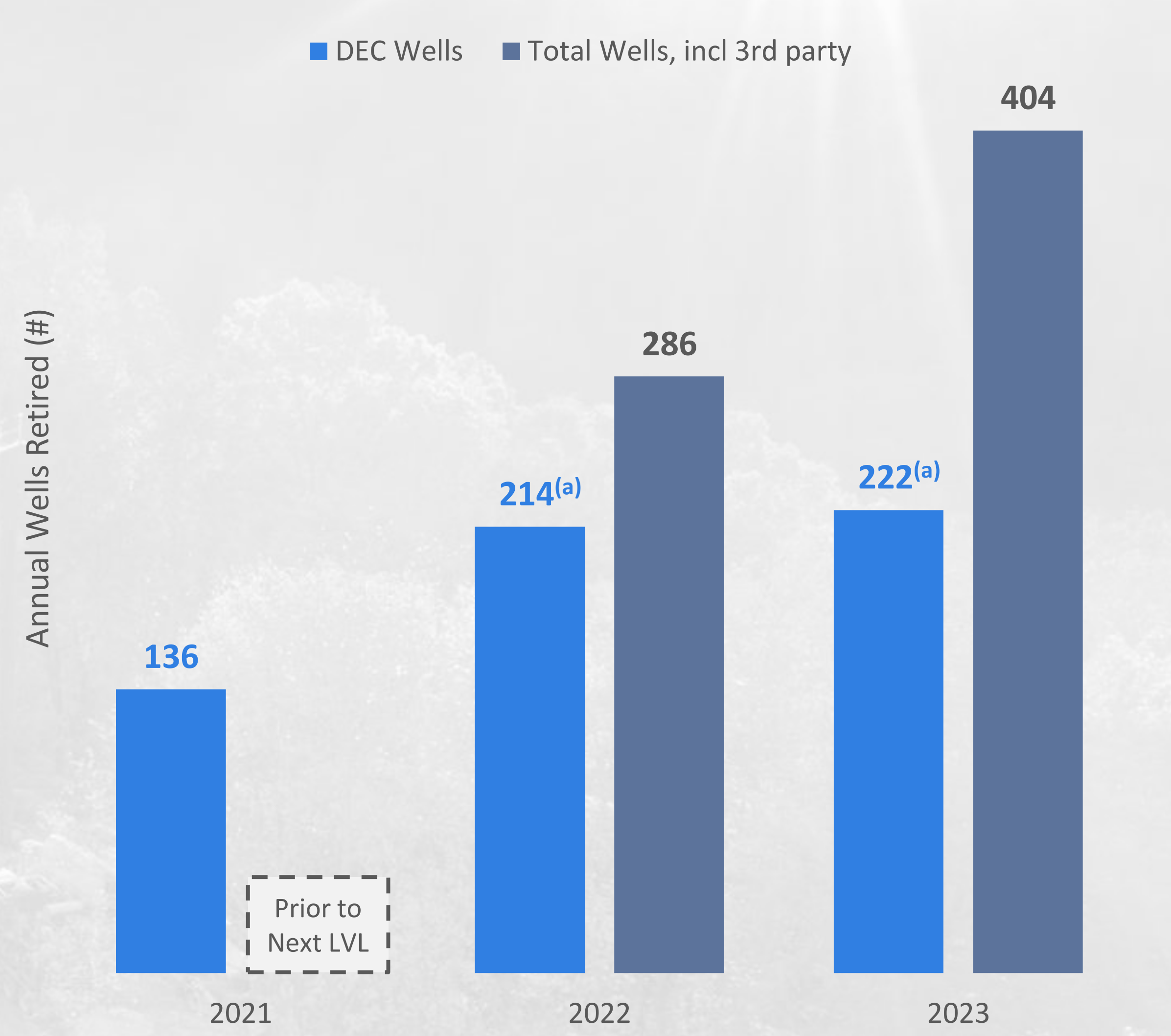
Diversified partnered with regulators to permanently retire 148 orphan wells

Next LVL Energy Operating Efficiently

Total retirements by Next LVL Energy exceeded the prior year by more than 5x

Offsetting Internal Retirement Costs

3rd party contracts generate margins that reduce Diversified's net cash cost to retire operated wells



a) DEC Wells retired per year includes well retirement activity in the Central Region, 2022: 14 wells, 2023: 21 wells

WORKING TO MAKE ASSETS OUT OF LIABILITIES

Energy Transition Opportunities

- Expansion of retirement options leveraging CCUS
- Repurposing assets without the need to retire
- Commercial benefits and advancement to net zero

Pursuing Innovative Projects

- Conversion to hydrogen production & storage
- Mechanical battery storage to support electrical grid
- WVU - US EPA Climate Pollution Reduction Grant Program
- Clean Energy: DOE Wells of Opportunity Initiative

Carbon Credits

Strategically timed retirement of wells has the potential to generate proceeds from sale of carbon credits

Carbon Sequestration

Existing wellbores have potential to become permanent sequestration sites of CO_2

Acquisition Update

Oaktree Buyout Increases Scale and Improves Margins

DIVERSIFIED energy

ACQUISITION OVERVIEW – OAKTREE WORKING INTEREST BUYOUT

$386Mn
Net Purchase Price[(a)]

122 MMcfepd
2024 Net Production[(b)]

$126 Mn
2024 Adj. EBITDA[(b)]

65%
Adj. EBITDA Margin[(b)]

3.1x | PV17
Transaction Multiple | PV EQ[(c)]

$462 Mn
PDP PV-10

Low-Risk, High Return Working Interest Acquisition

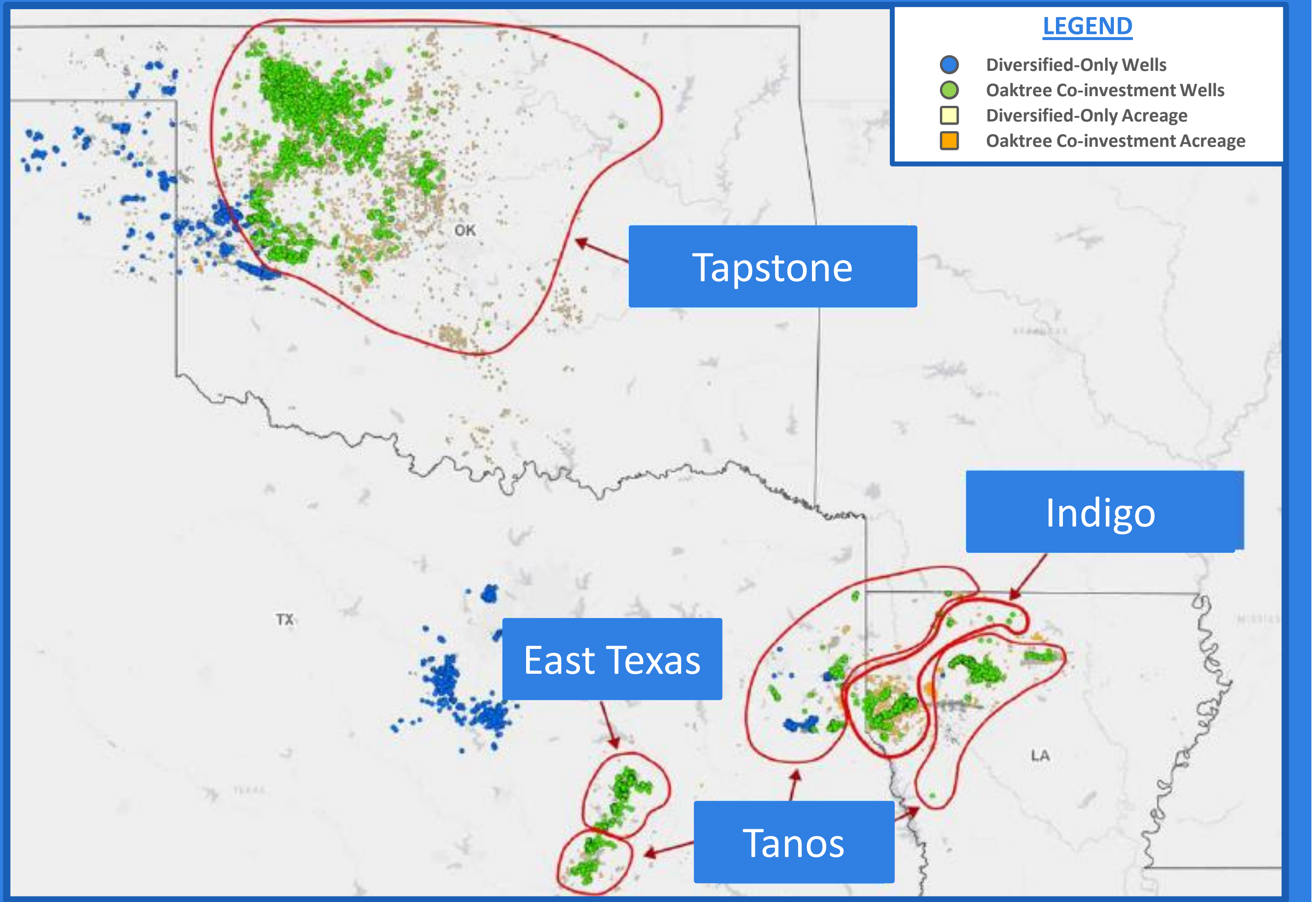
Upsizing production, cash flow and reserves with zero operational risk and immediate administrative synergies

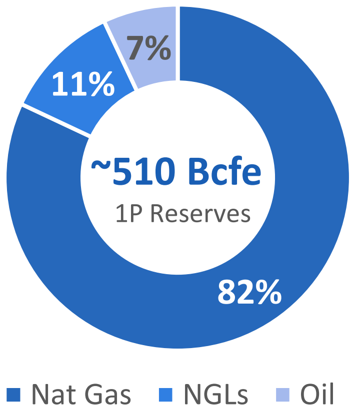
- ✓ Diversified has operated assets for 24+ months[(d)]
- ✓ Assets already integrated with OT/IT systems
- ✓ Financing matches existing debt profile
- ✓ Assets already included in emissions reporting
- ✓ Oaktree remains stakeholder in operations

a) Includes the assumption of amortizing debt as part of total consideration
b) Based on engineering reserves assumptions using historical cost assumptions and NYMEX strip as of March 8, 2024 for the 12 month period ended December 31, 2024; includes the estimated impact of settled derivative instruments; does not include the impact of any projected or anticipated synergies that may occur subsequent to acquisition
c) Transaction multiple reflects the sum of the Net Purchase Price and divided by the 2024E Adjusted EBITDA of the acquisition; PV-EQ represents the approximate PV-discount value of the Net Purchase Price
d) Duration of assets under Diversified operations calculated using average time since close date for respective historical acquisitions in which Oaktree co-invested

ADDING SCALE TO EXISTING CENTRAL REGION OPERATIONS

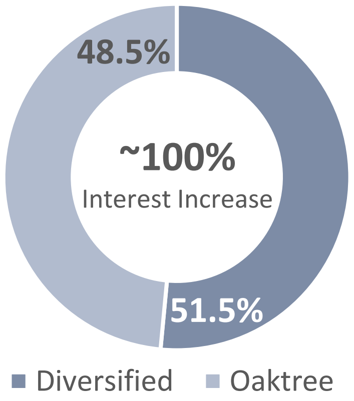
Acquisition Doubles Central Region Acreage





Increasing PDP Reserves

- ✓ Significant gas weighting
- ✓ Value-enhancing liquids
- ✓ Low-decline production

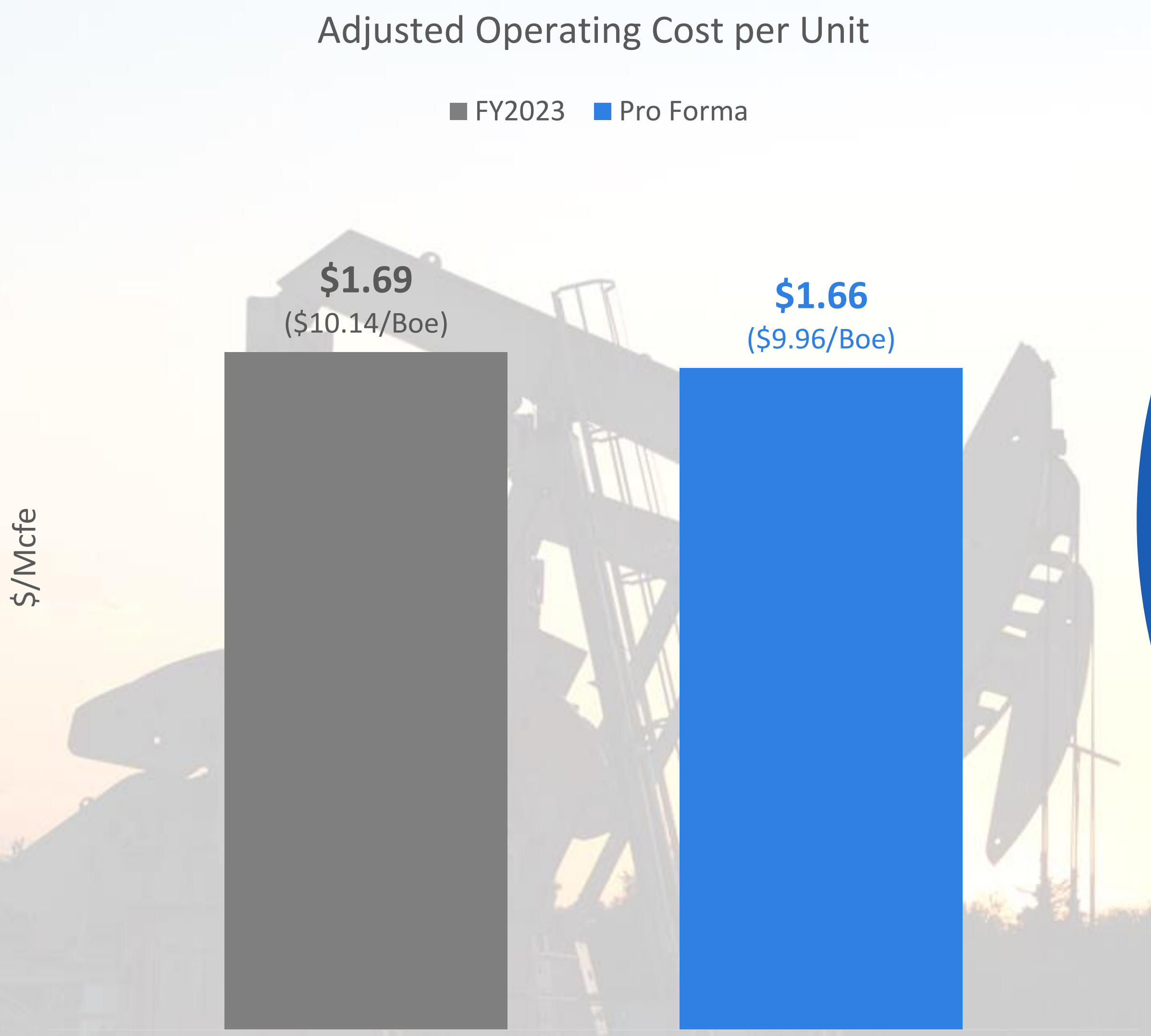


Upsizing Interest in Assets

- ✓ ~100% increase in ownership
- ✓ Diversified operates assets
- ✓ Drives administrative efficiencies

Reserves as of November 01, 2023 effective date; Change in percent of ownership calculated using the average Diversified and Oaktree ownership interest in the underlying historical coinvestments

ACQUISITION IS IMMEDIATELY SYNERGISTIC AND ENHANCES MARGINS



2% Reduction in Unit Costs
Compared to FY2023 operating performance

~$15 Million in Cost Efficiencies
No incremental G&A required post-acquisition

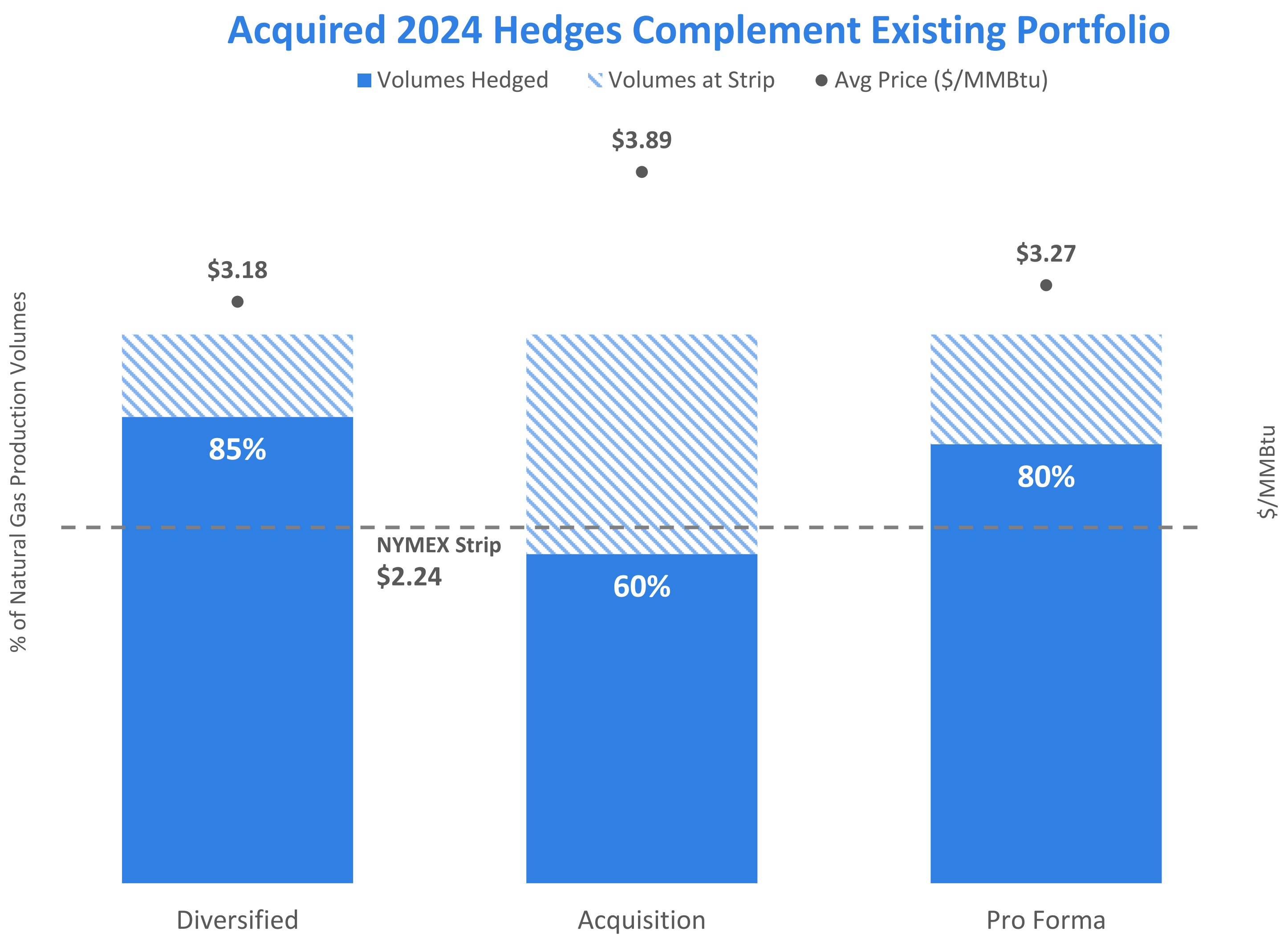
54% Pro Forma EBITDA Margins
Enhances already-strong cash generation strategy

Additional SAM Opportunities
Expands portfolio of low-cost, high-margin projects

Simple and Efficient Systems Integration

Certain expenses relating to Next LVL Energy have been excluded from 2023 adjusted operating cost per unit ($0.07/Mcfe) and subsequent pro forma calculation

COMPLEMENTARY IN-THE-MONEY HEDGE PORTFOLIO



Premium to Current Hedging

Average floor price for acquired volumes at 22% premium to current hedge portfolio

Improves Price Protection

Provides a $0.09/MMBtu uplift to the pro forma average for FY2024

Increases Opportunity for 2025

Unhedged volumes beyond the current year create opportunity to capture higher prices

De-risks Acquisition Multiple

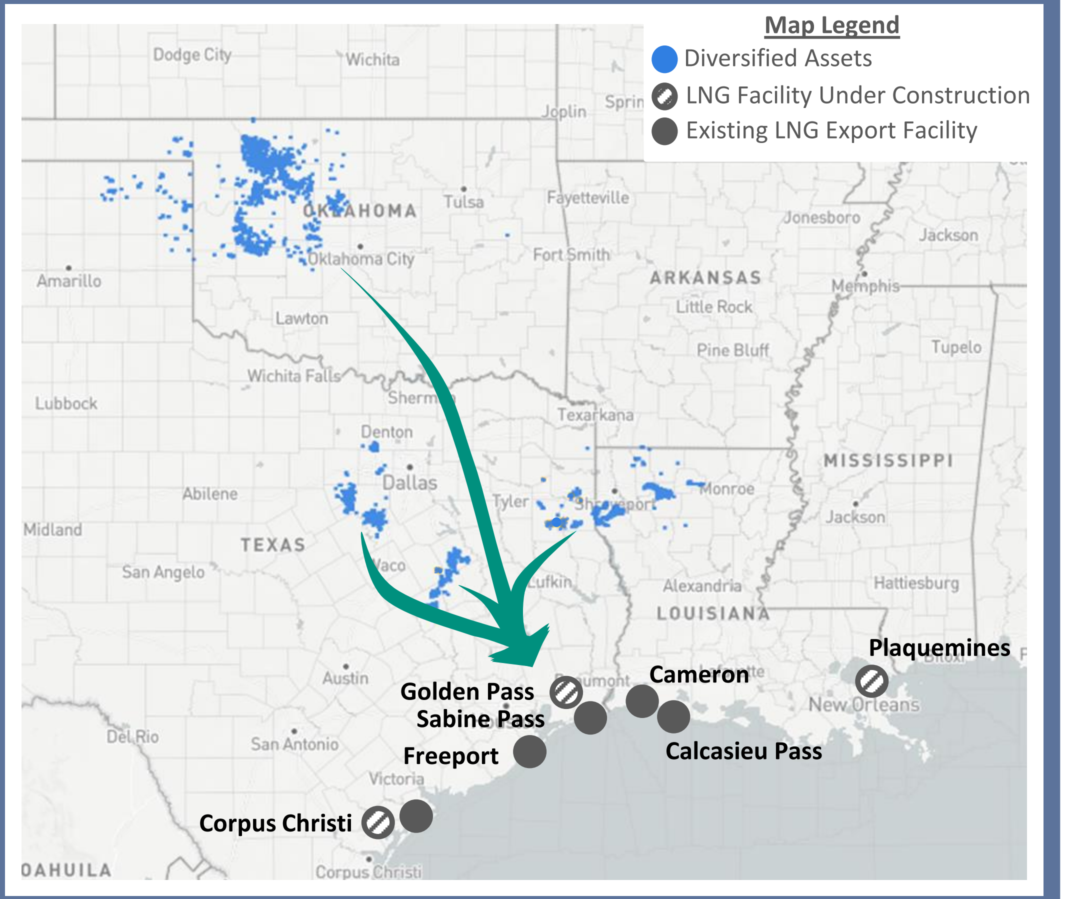
Acquiring hedged production insulates transaction economics from price volatility

Diversified hedge positions as of February 29, 2024; proportionate value of volumes hedged using illustrative 10% decline beginning with reported 4Q2023 production of 777 MMcfepd

INCREASED EXPOSURE TO PREMIUM GULF COAST PRICING

Advantageously Positioned in the Gulf Coast

Assets located in close proximity to several major hubs



LNG exports will potentially represent 20-25% of current U.S. natural gas production by 2026

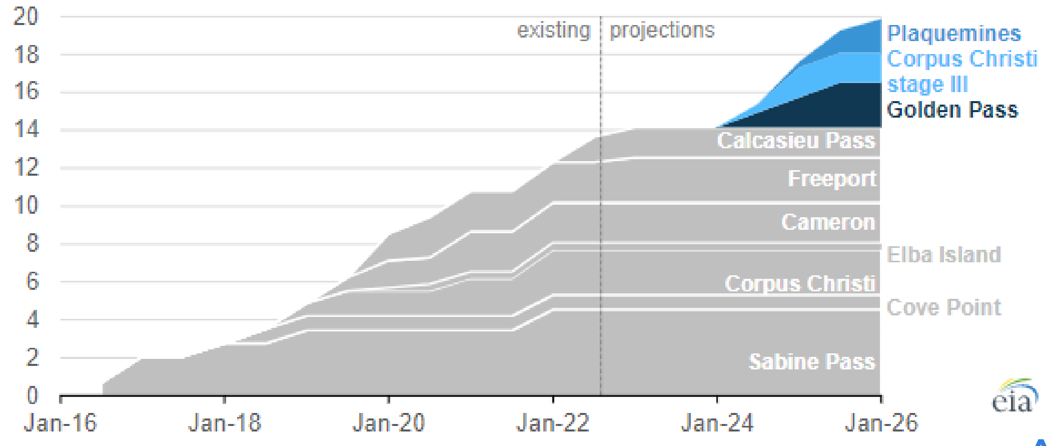
Demand Driven by Proximity to LNG Hubs
Growing global demand for U.S. LNG exports drives demand for regional production

Regional Hubs Benefit from Premium Pricing
East Texas gas tied closely with Henry Hub and features enhanced full-cycle economics

Ample Takeaway Capacity with Near Term Growth
Extensive infrastructure, access to premium Gulf markets supports production growth

In-House Marketing Enhances Realizations, Margins
US Top 25 natural gas marketer(a), can advantageously sell highest-priced market

U.S. LNG Projects Under Construction



a) As published by *Natural Gas Intel*, December 2022

MERGER MANIA ACTIVITY ACCELERATING IN ENERGY SECTOR

Public-to-Public Transactions

Private- to-Public Transactions

Corporate Transactions Dominating Landscape

- ✓ **Upstream equities have outperformed WTI spot prices by 32% since 2022**
  - ✓ YTD US E&P's YTD up **~3%** *vs.* UK E&P's down **~19%**
- ✓ **Over $215 billion in LTM corporate transactions, $25 billion in A&D in LTM**
  - ✓ ~$16 billion in natural gas-weighted deals in the last 3 months
- ✓ **O&G undergoing a historic consolidation wave comparable to the late 1990s**
  - ✓ Equity markets are highly supportive of strategic, accretive consolidation
  - ✓ Average single-day share outperformance of ~2%
- ✓ **Non-core assets likely to be divested in next 12-24 months due to consolidation**
  - ✓ Occidental announced plans to divest $6 billion in assets
- ✓ **Strategic and financial capital returning to the O&G sector**
- ✓ Proposed EPA emissions fee increases operating costs for E&P's behind the curve on methane reduction standards and **creates opportunity for Diversified**

Diversified Energy continues to be focused on accretive acquisition opportunities, going on offense to capitalize on any periods of near-term weakness in commodity prices

Path for 2024 and Beyond

Focus Five and Capital Allocation

DIVERSIFIED energy

NAVIGATING THE PATH FORWARD- “*FOCUS FIVE*”

Financial and Operational Flexibility

Reduce debt-servicing costs and increase access to various capital sources

Optimized Cash Flow Generation

Unlock hidden asset value, enhance hedge book, leverage internal marketing team, and continue to grow NEXT LVL

Cost Structure Optimization

Capture value enhancements through SAM, vertical integration, technology, and exhaustive cost review

Focus Five

A renewed emphasis on our principles to increase free cash flow generation and accelerate long term shareholder returns

Scale Through Accretive Growth

Sustained execution through a disciplined acquisition framework delivers attractive cash flows

Sustainability Innovation

Deliver solutions with best-in-class emissions measurement, monitoring, and mitigation technology providers

CAPITAL ALLOCATION FRAMEWORK AND RETURN

Systematically Reduce Debt
Maintain leverage target between 2.0x to 2.5x with debt reduction creating long-term equity value

Sustainable Fixed Dividend
Deliver top quartile yield while providing a meaningful return of capital

Strategic Share Repurchases
Maintain financial flexibility for open market purchases, tenders, and block trades based on market conditions

Accretive Strategic Acquisitions
Expand production and cash flows as the natural consolidator of producing gas & oil properties

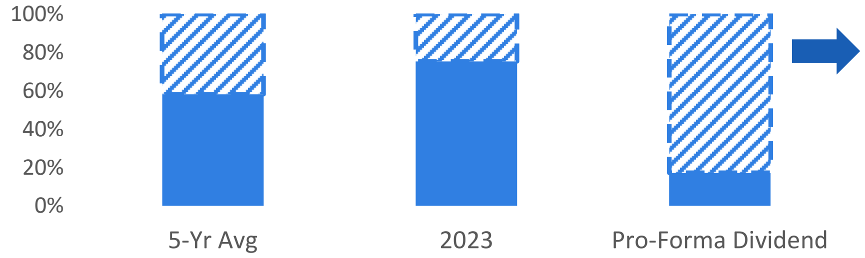
Model Supports Significant Free Cash Flows

- ✓ **~60% of Cash Flow from Operations** retained as Free Cash Flow
- ✓ **Consistent Cash Margins of Over 50%** lay the foundation for debt repayments and sustainable fixed dividends

Strategically Limited CapEx and Interest

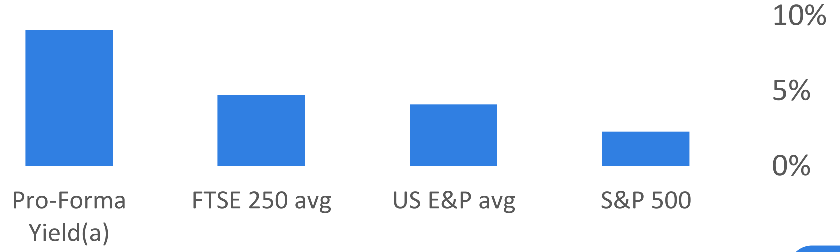
- ✓ **Production-focused model** de-risks the business and eliminates exploration & development costs
- ✓ **Low fixed interest on over 80% of debt** reduces rate risk and long-term financing costs

Increase in Distributable Cash Flow From Operations



Pro-Forma Dividend Allows More Cash Flow to Create Value While Still Maintaining a Competitive Yield

Pro-Forma Dividend Yield Comparison



Proportionate uses of Cash Flows calculated as reported within the Company's annual reports and accounts for the 2019-2023 fiscal years
a) Pro Forma Yield calculated using annual fixed dividend of $1.16 share and March 14, 2023 closing price of $11.66

2024 ACTION PLAN

Systematic Debt Reduction

Reduce borrowings by $200 million

Decrease leverage to lower end of stated range

Fixed per-share Dividend

Provide a sustainable capital return structure

Top-quartile dividend among FTSE250

Strategic Share Repurchases

Conduct strategic and regimented buybacks

Expands capital return opportunities / options

Accretive Acquisitions

Grow opportunistically at attractive multiples

Increase scale and access to capital markets

RIGHT COMPANY, RIGHT TIME

Seasoned management team with proven record of identifying, optimizing and delivering returns from existing producing assets

Consolidator of choice for US natural gas producing assets

Leader in lifecycle stewardship through vertical integration from production through retirement

Providing Solutions

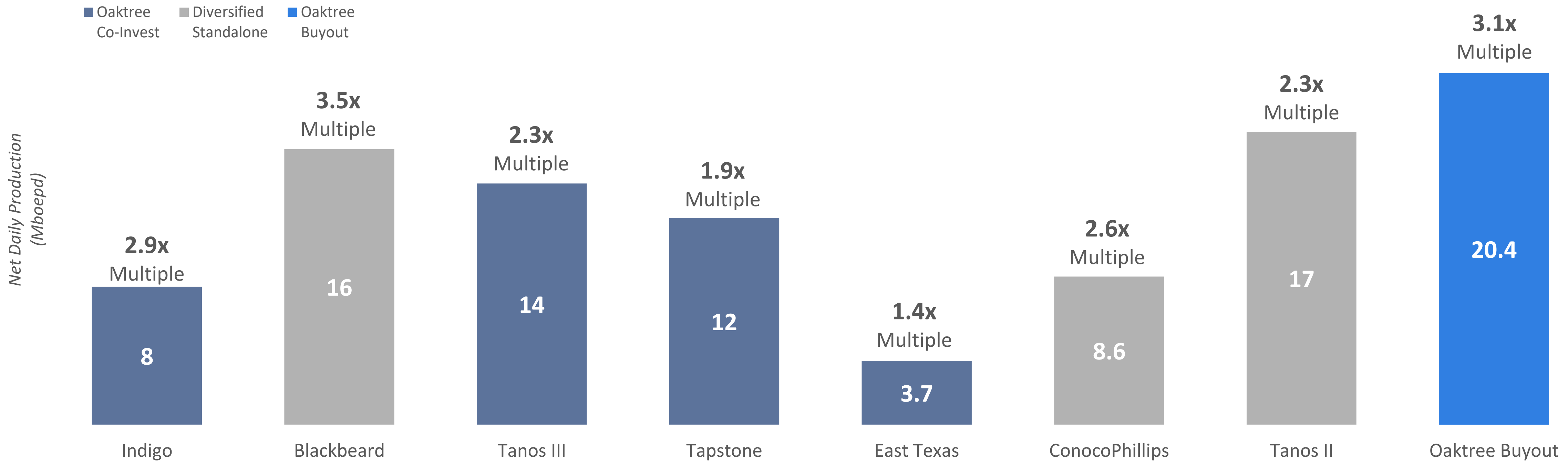
Deploy Smarter Asset Management to increase production, reduce emissions and extend well life

Expand retirement capacity, evolve carbon economy opportunities & lead well retirement innovation

Appendix

DIVERSIFIED
energy

INCREASING CENTRAL REGION SCALE AT ATTRACTIVE MULTIPLES



Oaktree Co-Investments Catalyzed Significant Growth in the Central Region[a]

Indigo Minerals

- **Acq. Date:** May 2021
- **Purch Price:** $57.5 Million
- **Production:** 8 Mboepd
- **PDP Reserves:** 26 MMboe
- **PDP PV-10:** $90 Million

Tanos III

- **Acq. Date:** August 2021
- **Purch Price:** $117 Million
- **Production:** 14 Mboepd
- **PDP Reserves:** 40 MMboe
- **PDP PV-10:** $201 Million

Tapstone Energy

- **Acq. Date:** December 2021
- **Purch Price:** $218 Million
- **Production:** 12 Mboepd
- **PDP Reserves:** 35 MMboe
- **PDP PV-10:** $324 Million

East Texas Assets

- **Acq. Date:** April 2022
- **Purch Price:** $50 Million
- **Production:** 3.7 Mboepd
- **PDP Reserves:** 18 MMboe
- **PDP PV-10:** $102 Million

a) All values net to Diversified as announced at time of acquisitions

COMMODITY DERIVATIVES PORTFOLIO (AS OF 29 FEBRUARY 2023)

Natural Gas Annual Summary[a]	2024	$3.40/Mcf ~85% Hedged	2025	$3.27/Mcf ~80% Hedged	2026	$3.18/Mcf ~60% Hedged

Natural Gas Financial Derivatives Contracts

Natural Gas (MMBtu, $/MMBtu)		1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25	FY26	FY27
NYMEX NG Swaps(a)	Volume	47,802,405	49,024,205	48,005,208	46,564,814	42,484,686	41,754,017	40,435,728	39,997,378	191,396,631	164,671,809	120,559,390	106,209,187
	Swap Price	$3.11	$3.25	$3.23	$3.09	$3.03	$2.98	$2.98	$2.99	$3.17	$3.00	$2.97	$3.00
NYMEX NG Costless Collars	Volume	2,559,500	-	-	-	-	-	-	-	2,559,500	-	3,650,000	5,064,243
	Ceiling	$5.84	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$5.84	$0.00	$5.00	$5.47
	Floor	$3.77	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3.77	$0.00	$3.00	$3.28
NYMEX NG Costless Collars	Volume	-	-	-	-	-	-	-	-	-	-	-	-
	Ceiling	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Floor	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	Sub-Floor	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Consolidated NYMEX Hedges	Volume	50,361,905	49,024,205	48,005,208	46,564,814	42,484,686	41,754,017	40,435,728	39,997,378	193,956,131	164,671,809	124,209,390	111,273,430
	Wtd Average Price	$3.14	$3.25	$3.23	$3.09	$3.03	$2.98	$2.98	$2.99	$3.18	$3.00	$2.97	$3.01

Natural Gas (MMBtu, $/MMBtu)		FY28	FY29	FY30
NYMEX NG Swaps(a)	Volume	91,675,096	29,190,000	5,450,000
	Wtd Average Price	$2.70	$1.97	$1.90
NYMEX NG Costless Collars	Volume	5,382,462	3,726,485	-
	Ceiling	$6.45	$7.02	$0.00
	Floor	$4.00	$4.00	$0.00
NYMEX NG Puts	Volume	-	-	-
	Floor	$0.00	$0.00	$0.00
NYMEX NG Put Spread	Volume	-	30,066,401	14,491,673
	Floor	$0.00	$2.73	$2.74
	Sub-Floor	$0.00	$1.80	$1.80
Consolidated NYMEX Hedges	Volume	97,057,558	62,982,886	19,941,673
	Wtd Average Price	$2.77	$2.45	$2.51

Natural Gas Basis (MMBtu, $/MMBtu)		1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25	FY26	FY27
Consolidated Basis Hedges	Volume	44,726,167	44,430,859	44,137,339	42,362,528	17,122,500	17,312,750	17,503,000	17,503,000	175,656,892	69,441,250	10,950,000	-
	Wtd Average Price	($0.67)	($0.69)	($0.69)	($0.69)	($0.63)	($0.63)	($0.63)	($0.63)	($0.69)	($0.63)	($0.19)	$0.00

a) Illustrative percent of production hedged calculated using the company's published derivatives portfolio and illustrative production volume, calculated using reported production and declines; Corporate Btu factor of 1.07 should be used when converting Natural Gas pricing from MMBtu to Mcf.
b) Excludes sold calls on 60,000 MMBtu/d at a weighted average price of $2.80/MMBtu in 2026; Prices above exclude the impact of the cash settlement of deferred premiums from previous hedge optimizations, which include expected payments on settled derivative instruments of ~$15 million in 2024, ~$16 million in 2025, ~$22 million in 2026 and 2027, and ~$2 million in 2028

COMMODITY DERIVATIVES PORTFOLIO (AS OF 29 FEBRUARY 2023)

NGLs Annual Summary[a]	204	$37.74/bbl ~ 65% Hedged	2025	$30.22/bbl ~45% Hedged	2026	$27.68/bbl ~25% Hedged
Oil Annual Summary[a]	2024	$62.54/bbl ~ 40% Hedged	2025	$59.01/bbl ~40% Hedged	2026	$59.48/bbl ~30% Hedged

Natural Gas Liquids Financial Derivatives Contracts

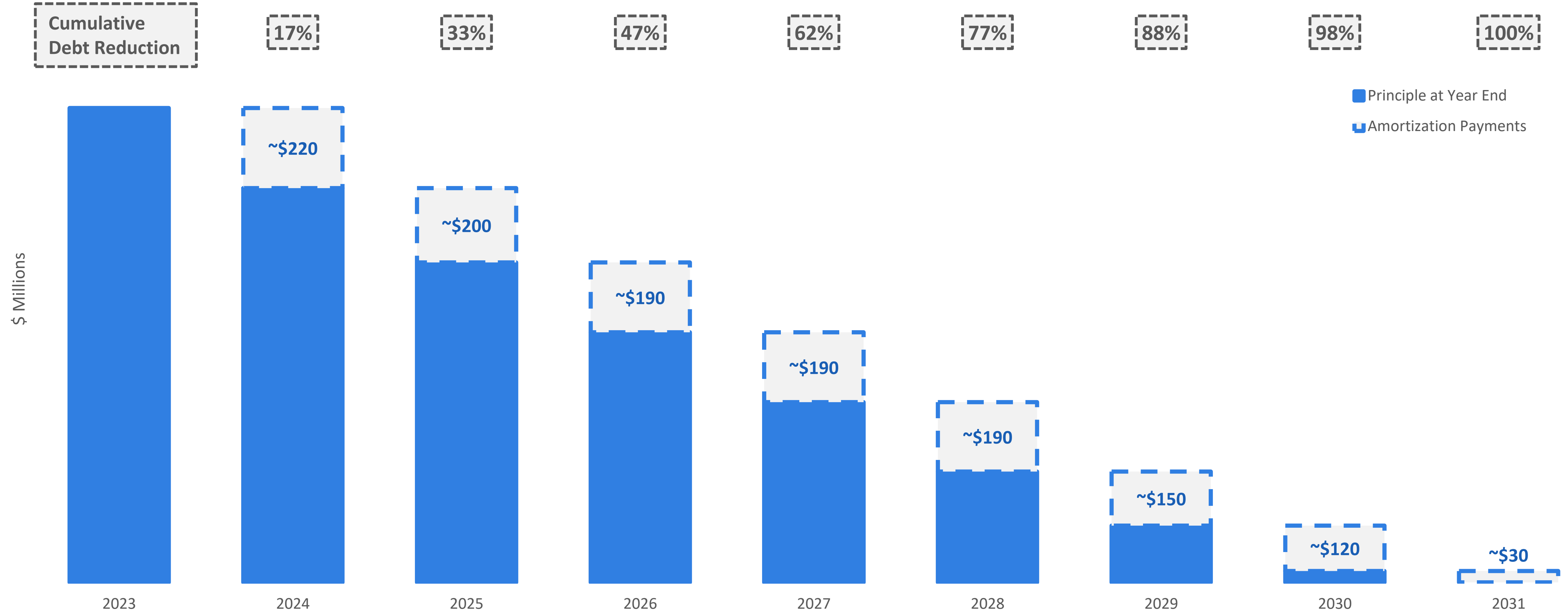
NGL (bbl, $/bbl)		1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25	FY26	FY27
Consolidated NGL Hedges[b]	Volume	846,234	831,288	818,568	805,001	546,829	539,236	532,108	525,268	3,301,090	2,143,442	1,097,240	-
	Wtd Average Price	$37.71	$37.72	$37.75	$37.77	$30.21	$30.22	$30.23	$30.24	$37.74	$30.22	$27.68	$0.00

Oil Financial Derivatives Contracts

Oil (bbl, $/bbl)		1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	FY24	FY25	FY26	FY27
Consolidated WTI Hedges[c]	Volume	115,334	110,101	105,441	100,105	96,348	92,820	89,689	86,787	430,981	365,644	282,770	162,026
	Wtd Average Price	$62.62	$62.50	$62.41	$62.62	$59.12	$59.04	$58.97	$58.90	$62.54	$59.01	$59.48	$58.60

a) Illustrative percent of production hedged calculated using the company's published derivatives portfolio and illustrative production volume, calculated using reported production and declines;
b) Excludes sold calls of ~2,500 bbl/d at $31.29/bbl in 2024 and ~2,500 bbl/d at $30.07/bbl in 2025
c) Excludes sold calls of ~500 bbl/d at $70.00/bbl in 2024, ~300 bbl/d at $70.50/bbl in 2025 and ~300 bbl/d at $67.50/bbl in 2026

DIFFERENTIATED AND NATURALLY DELEVERAGING DEBT PROFILE



Naturally aligned with Diversified's long-life, low decline production

Diversified retains 100% operational control of underlying assets

Creates clear line-of-sight to uses of cash and capacity for deleveraging

Amounts based on scheduled amortization based on reported balances, does not reflect the potential of excess principal payments during any year for applicable instruments; Assumes the successful close of the recently announced Oaktree Capital Management ("OCM") buyout transaction and includes the assumption of OCM's proportionate liability relating to ABSVI

Supplemental Financials

For the Year Ended December 31, 2023

DIVERSIFIED
energy

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited		
	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Revenue	$ 868,263	$ 1,919,349	$ 1,007,561
Operating expenses	(440,562)	(445,893)	(291,213)
Depreciation, depletion and amortization	(224,546)	(222,257)	(167,644)
Gross profit	**$ 203,155**	**$ 1,251,199**	**$ 548,704**
General and administrative expenses	(119,722)	(170,735)	(102,326)
Allowance for expected credit losses	(8,478)	—	4,265
Gain (loss) on natural gas and oil properties and equipment	24,146	2,379	(901)
Gain (loss) on sale of equity interest	18,440	—	—
Unrealized gain (loss) on investment	4,610	—	—
Gain (loss) on derivative financial instruments	1,080,516	(1,758,693)	(974,878)
Gain on bargain purchases	—	4,447	58,072
Impairment of provide properties	(41,616)	—	—
Operating profit (loss)	**1,161,051**	**$ (671,403)**	**$ (467,064)**
Finance costs	(134,166)	(100,799)	(50,628)
Accretion of asset retirement obligation	(26,926)	(27,569)	(24,396)
Other income (expense)	385	269	(8,812)
Income (loss) before taxation	**1,000,344**	**$ (799,502)**	**$ (550,900)**
Income tax benefit (expenses)	(240,643)	178,904	225,694
Net income (loss)	**759,701**	**$ (620,598)**	**$ (325,206)**
Other comprehensive income (loss)	(270)	940	51
Total comprehensive income (loss)	**759,431**	**$ (619,658)**	**$ (325,155)**
Net income (loss) attributable to:			
Diversified Energy Company PLC	758,018	(625,410)	(325,509)
Non-controlling interest	1,683	4,812	303
Net income (loss)	**759,701**	(620,598)	(325,206)
Earnings (loss) per share attributable to Diversified Energy Company PLC			
Earnings (loss) per share - basic	$ 16.07	$ (14.82)	$ (8.20)
Earnings (loss) per share - diluted	$ 15.95	$ (14.82)	$ (8.20)
Weighted average shares outstanding - basic	*47,165*	*42,204*	*39,677*
Weighted average shares outstanding - diluted	*47,515*	*42,204*	*39,677*

Amounts in thousands, except per share and per unit data;
The notes on pages 149 to 196 are an integral part of the Group's 2023 Annual Report & Form 20-F and the Group Financial Statements published therein.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited			
	December 31, 2023		December 31, 2022	
ASSETS				
Non-current assets:				
Natural gas and oil properties, net	$	**2,490,375**	$	2,555,808
Property, plant and equipment, net		**456,208**		462,860
Intangible assets		**19,351**		21,098
Restricted cash		**25,057**		47,497
Derivative financial instruments		**24,401**		13,936
Deferred tax assets		**144,860**		371,156
Other non-current assets		**9,172**		4,351
Total non-current assets	**$**	**3,169,424**	**$**	**3,476,706**
Current assets:				
Trade receivables, net		**190,207**		296,781
Cash and cash equivalents		**3,753**		7,329
Restricted cash		**11,195**		7,891
Derivative financial instruments		**87,659**		27,739
Other current assets		**11,784**		14,482
Total current assets	**$**	**304,598**	**$**	**354,222**
Total assets	**$**	**3,474,022**	**$**	**3,830,928**

	Audited			
	December 31, 2023		December 31, 2022	
EQUITY AND LIABILITIES				
Shareholders' equity:				
Share capital	$	**12,897**	$	11,503
Share premium		**1,208,192**		1,052,959
Treasury reserve		**(102,470)**		(100,828)
Share based payment and other reserves		**14,442**		17,650
Retained earnings (accumulated deficit)		**(547,255)**		(1,133,972)
Equity attributable to owners of the parent:		**585,806**		**(152,688)**
Non-controlling interests		**12,604**		14,964
Total equity	**$**	**598,410**	**$**	**(137,724)**
Non-current liabilities:				
Asset retirement obligations	$	**501,246**	$	452,554
Leases		**20,559**		19,569
Borrowings		**1,075,805**		1,169,233
Deferred tax liability		**13,654**		12,490
Derivative financial instruments		**623,684**		1,177,801
Other non-current liabilities		**2,224**		5,375
Total non-current liabilities	**$**	**2,237,172**	**$**	**2,837,022**
Current liabilities:				
Trade and other payables		**53,490**		93,764
Taxes Payable		**50,226**		41,907
Leases		**10,563**		9,293
Borrowings		**200,822**		271,096
Derivative financial instruments		**45,836**		293,840
Other current liabilities		**277,503**		421,730
Total current liabilities	**$**	**638,440**	**$**	**1,131,630**
Total liabilities	**$**	**2,875,612**	**$**	**3,968,652**
Total equity and liabilities	**$**	**3,474,022**	**$**	**3,830,928**

Amounts in thousands, except per share and per unit data;
The notes on pages 149 to 196 are an integral part of the Group’s 2023 Annual Report & Form 20-F and the Group Financial Statements published therein.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited		
	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Cash flows from operating activities:			
Income (loss) after taxation	$ 759,701	(620,598)	(325,206)
Cash flows from operations reconciliation:			
Depreciation, depletion and amortization	224,546	222,257	167,644
Accretion of asset retirement obligations	26,926	27,569	24,396
Impairment of proved properties	41,616	—	—
Income tax (benefit) expense	240,643	(178,904)	(225,694)
(Gain) loss on fair value adjustments of unsettled financial instruments	(905,695)	861,457	652,465
Asset retirement costs	(5,961)	(4,889)	(2,879)
(Gain) loss on natural gas and oil properties and equipment	(24,146)	(2,379)	901
	(18,440)	—	—
	(4,810)	—	—
Gain on bargain purchases	—	(4,447)	(58,072)
Finance costs	134,166	100,799	50,628
Revaluation of contingent consideration	—	0	8963000
Hedge modifications	26,686	(133,573)	(10,164)
Non-cash equity compensation	6,494	8,051	7,400
Working capital adjustments:			
Change in trade receivables and other current assets	104,571	13,760	(126,957)
Change in other non-current assets	1,661	(580)	(556)
Change in trade and other payables and other current liabilities	(183,530)	132,349	162,486
Change in other non-current liabilities	(6,236)	(6,794)	5,707
Cash generated from operations	$ 418,392	**414,078**	**331,062**
Cash paid for income taxes	(8,260)	(26,314)	(10,880)
Net cash provided by operating activities	$ 410,132	**387,764**	**320,182**

	Audited		
	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Cash flows from investing activities:			
Consideration for business acquisitions, net of cash acquired	$ —	(24,088)	(286,804)
Consideration for asset acquisitions	(262,329)	(264,672)	(287,330)
Proceeds from divestitures	95,749	—	86,224
Payments associated with potential acquisitions	—	—	(25,002)
Acquisition related debt and hedge extinguishments	—	—	(56,466)
Expenditures on natural gas and oil properties and equipment	(74,252)	(86,079)	(50,175)
Proceeds on disposals of natural gas and oil properties and equipment	4,083	12,189	2,663
Deferred consideration payments	(2,620)	—	—
Contingent consideration payments	—	(23,807)	(10,822)
Net cash used in investing activities	$ (239,369)	**(386,457)**	**(627,712)**
Cash flows from financing activities:			
Repayment of borrowings	(1,547,912)	(2,139,686)	(1,432,566)
Proceeds from borrowings	1,537,230	2,587,554	1,727,745
Cash paid for interest	(116,784)	(83,958)	(42,673)
Debt issuance costs	(13,776)	(34,234)	(10,255)
Decrease (increase) in restricted cash	11,792	(36,287)	1,838
Hedge modifications associated with ABS Notes	(6,376)	(105,316)	—
Proceeds from equity issuance, net	156,788	—	213,844
Principal element of lease payments	(12,169)	(10,211)	(7,556)
Cancellation (settlement) of warrants, net	—	137	(1,429)
Dividends to shareholders	(168,041)	(143,455)	(130,239)
Distributions to non-controlling interest owners	(4,043)	(6,389)	—
Repurchase of shares by the EBT	—	(22,931)	—
Repurchase of shares	(11,048)	(11,760)	—
Net cash provided by (used in) financing activities	$ (174,339)	**(6,536)**	**318,709**
Net change in cash and cash equivalents	(3,576)	(5,229)	11,179
Cash and cash equivalents, beginning of period	7,329	12,558	1,379
Cash and cash equivalents, end of period	$ 3,753	**7,329**	**12,558**

a) Amounts in thousands, except per share and per unit data;
b) The notes on pages 149 to 196 are an integral part of the Group's 2023 Annual Report & Form 20-F and the Group Financial Statements published therein.

ALTERNATIVE PERFORMANCE METRICS

Adjusted EBITDA	
	As used herein, EBITDA represents earnings before interest, taxes, depletion, depreciation and amortization. adjusted EBITDA includes adjusting for items that are not comparable period-over-period, namely, accretion of asset retirement obligation, other (income) expense, loss on joint and working interest owners receivable, (gain) loss on bargain purchases, (gain) loss on fair value adjustments of unsettled financial instruments, (gain) loss on natural gas and oil property and equipment, costs associated with acquisitions, other adjusting costs, non-cash equity compensation, (gain) loss on foreign currency hedge, net (gain) loss on interest rate swaps and items of a similar nature. Adjusted EBITDA should not be considered in isolation or as a substitute for operating profit or loss, net income or loss, or cash flows provided by operating, investing and financing activities. However, we believe such measure is useful to an investor in evaluating our financial performance because it (1) is widely used by investors in the natural gas and oil industry as an indicator of underlying business performance; (2) helps investors to more meaningfully evaluate and compare the results of our operations from period to period by removing the often-volatile revenue impact of changes in the fair value of derivative instruments prior to settlement; (3) is used in the calculation of a key metric in one of our Credit Facility financial covenants; and (4) is used by us as a performance measure in determining executive compensation. When evaluating this measure, we believe investors also commonly find it useful to evaluate this metric as a percentage of our total revenue, inclusive of settled hedges, producing what we refer to as our adjusted EBITDA margin.

	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Net income (loss)	**$ 759,701**	**$ (620,598)**	**$ (325,206)**
Finance costs	134,166	100,799	50,628
Accretion of asset retirement obligations	26,926	27,569	24,396
Other (income) expense	(385)	(269)	8,812
Income tax (benefit) expense	240,643	(178,904)	(225,694)
Depreciation, depletion and amortization	224,546	222,257	167,644
(Gain) loss on bargain purchases	—	(4,447)	(58,072)
(Gain) loss on fair value adjustments of unsettled financial instruments	(905,695)	861,457	652,465
(Gain) loss on natural gas and oil properties and equipment[a]	20	93	901
(Gain) loss on sale of equity interest	(18,440)	—	—
Unrealized (gain) loss on investment	(4,610)		
Impairment of proved properties	41,616	—	—
Costs associated with acquisitions	16,775	15,545	27,743
Other adjusting costs[a]	17,794	69,967	10,371
Non-cash equity compensation	6,494	8,051	7,400
(Gain) loss on foreign currency hedge	521	—	1,227
(Gain) loss on interest rate swap	2,722	1,434	530
Total adjustments	**$ (216,907)**	**$ 1,123,552**	**$ 668,351**
Adjusted EBITDA	**$ 542,794**	**$ 502,954**	**$ 343,145**

Amounts in thousands, except per share and per unit data;

a) Excludes $24.2 million and $2 million in proceeds received for leasehold sales during the years ended December 31, 2023 and 2022

ALTERNATIVE PERFORMANCE METRICS

Net Debt and **Net Debt-to-Adjusted EBITDA**	As used herein, net debt represents total debt as recognized on the balance sheet less cash and restricted cash. Total debt includes our borrowings under the Credit Facility and borrowings under or issuances of, as applicable, our subsidiaries' securitization facilities. We believe net debt is a useful indicator of our leverage and capital structure. As used herein, net debt-to-adjusted EBITDA, or "leverage" or "leverage ratio," is measured as net debt divided by adjusted EBITDA. We believe that this metric is a key measure of our financial liquidity and flexibility and is used in the calculation of a key metric in one of our Credit Facility financial covenants.

	As of		
	December 31, 2023	December 31, 2022	December 31, 2021
Credit Facility	$ 159,000	56,000	570,600
ABS I Notes	100,898	125,864	155,266
ABS II Notes	125,922	147,458	169,320
ABS III Notes	274,710	319,856	—
ABS IV Notes	99,951	130,144	—
ABS V Notes	290,913	378,796	—
ABS VI Notes	159,357	212,446	—
Term Loan I	106,470	120,518	137,099
Other	7,627	7,084	9,380
Total debt	$ 1,324,848	1,498,166	1,041,665
LESS: Cash	(3,753)	(7,329)	(12,558)
LESS: Restricted cash	(36,252)	(55,388)	(19,102)
Net debt	$ 1,284,843	1,435,449	1,010,005
Adjusted EBITDA	$ 542,794	502,954	343,145
Pro forma adjusted EBITDA[a]	$ 542,893	574,414	490,978
Pro forma net debt-to-pro forma adjusted EBITDA[b]	2.3x	2x	2.1x

Amounts in thousands, except per share and per unit data;

a) Pro forma adjusted EBITDA includes adjustments for the year ended December 31, 2023 for the Tanos II Acquisition to pro forma its results for the full twelve months of operations. Similar adjustments were made for the year ended December 31, 2022 for the East Texas Assets and ConocoPhillips acquisitions

b) Does not include adjustments for working capital which are often customary in the market.

ALTERNATIVE PERFORMANCE METRICS

Total Revenue, Inclusive of Settled Hedges and **Adjusted EBITDA Margin**	As used herein, total revenue, inclusive of settled hedges, includes the impact of derivatives settled in cash. We believe that total revenue, inclusive of settled hedges is a useful because it enables investors to discern our realized revenue after adjusting for the settlement of derivative contracts. As used herein, adjusted EBITDA margin is measured as adjusted EBITDA, as a percentage of total revenue, inclusive of settled hedges. adjusted EBITDA margin includes the direct operating cost and the portion of general and administrative cost it takes to produce each Mcfe. This metric includes operating expense, employees, administrative costs and professional services and recurring allowance for credit losses, which include fixed and variable costs components. We believe that adjusted EBITDA margin is a useful measure of our profitability and efficiency as well as our earnings quality because it measures the Group on a more comparable basis period-over-period, given we are often involved in transactions that are not comparable between periods. between periods.

	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Total revenue	$ 868,263	1,919,349	1,007,561
Net gain (loss) on commodity derivative instruments[(a)]	178,064	(895,802)	(320,656)
Total revenue, inclusive of settled hedges	$ 1,046,327	1,023,547	686,905
Adjusted EBITDA	$ 542,794	502,954	343,145
Adjusted EBITDA margin	52 %	49 %	50 %

Free Cash Flow	Average Quarterly Dividend per Share is reflective of the average of the dividends per share declared throughout the applicable fiscal year which gives consideration to changes in dividend rates and changes in the amount of shares outstanding. We use Average Quarterly Dividend per Share as we seek to pay a consistent and reliable dividend to shareholders.

	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Net cash provided by operating activities	$ 410,132	387,764	320,182
LESS: Expenditures on natural gas and oil properties and equipment	(74,252)	(86,079)	(50,175)
LESS: Cash paid for interest	(116,784)	(83,958)	(42,673)
Free cash flow	$ 219,096	217,727	227,334

Amounts in thousands, except per share and per unit data;

a) Net gain (loss) on commodity derivative settlements represents cash (paid) or received on commodity derivative contracts. This excludes settlements on foreign currency and interest rate derivatives as well as the gain (loss) on fair value adjustments for unsettled financial instruments for each of the periods presented.

ALTERNATIVE PERFORMANCE METRICS

Adjusted Operating Cost per Boe and **Employees, Administrative Costs & Professional Services**	Adjusted operating cost per Mcfe is a metric that allows us to measure the direct operating cost and the portion of general and administrative cost it takes to produce each Mcfe. This metric, similar to adjusted EBITDA margin, includes operating expense employees, administrative costs and professional services and recurring allowance for credit losses, which include fixed and variable cost components. As used herein, employees, administrative costs and professional services represents total administrative expenses excluding cost associated with acquisitions, other adjusting costs and non-cash expenses. We use employees, administrative costs and professional services because this measure excludes items that affect the comparability of results or that are not indicative of trends in the ongoing business.

	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Total production (MMcfe)	**$ 299,632**	**296,121**	**259,543**
Total operating expense	**440,562**	445,893	291,213
Employees, administrative costs and professional services	**78,659**	77,172	56,812
Recurring allowance for credit losses	**8,478**	—	(4,265)
Adjusted operating cost	**$ 527,699**	**523,065**	**343,760**
Adjusted operating cost per Mcfe	**$ 1.76**	**1.77**	**1.32**

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