

INVESTMENT BANKING UPDATE

May 20, 2016

\$25.0 Million

Follow-On Offering



*The undersigned served as a
Joint Book-Running Manager on the offering*

Stephens Inc.

Transaction Details

- On May 20, 2016, Abraxas Petroleum Corporation (NASDAQ:AXAS) (“Abraxas Petroleum” or the “Company”) announced that it priced a public offering of 25,000,000 shares at \$1.00 per share
 - All shares were offered by the Company
- The Company intends to use the net proceeds from this offering of approximately \$23.75 million (and the net proceeds from any exercise of the underwriters’ option to purchase additional shares of common stock) to repay indebtedness outstanding under the Company’s credit facility, expand its planned drilling capital expenditures to the full \$40.0 million budgeted for 2016 including an acceleration of the Company’s West Texas and Austin Chalk drilling programs, and for general corporate purposes including acquisitions
- Stephens Inc. served as a Joint Book-Running Manager on this transaction

According to the Company’s Press Release:

Abraxas Petroleum Corporation is a San Antonio based crude oil and natural gas exploration and production company with operations across the Rocky Mountain, Permian Basin and onshore Gulf Coast regions of the United States.

Sources: Company filings.

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The offering of these securities is being made only by means of a prospectus, copies of which may be obtained from Stephens Inc.’s Equity Syndicate Desk, at Stephens Inc., 111 Center Street, Little Rock, AR 72201, ATTN: Equity Syndicate Desk, or from the Securities and Exchange Commission’s website at www.sec.gov at the following link: <https://www.sec.gov/Archives/edgar/data/867665/000119312516598650/d165083d424b5.htm>. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. No offer to buy the securities can be accepted and no part of the purchase price can be received until the registration statement has become effective, and any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time prior to the notice of its acceptance given after the effective date.