

INVESTMENT BANKING UPDATE

December 13, 2016

\$656.0 Million

Follow-On Offering



*The undersigned served as a Co-Manager
on the offering*

Stephens Inc.

Transaction Details

- On December 13, 2016, Callon Petroleum Company (NYSE: CPE) (“Callon” or the “Company”) priced an upsized follow-on offering for total gross proceeds of \$656.0 million
- The deal priced 40,000,000 shares of common stock at \$16.40 per share
 - All shares were primary shares offered by the Company
- Proceeds from the offering are expected to be used to fund the pending Ameredev Acquisition, as previously announced by the Company on December 13, 2016, and the balance for general corporate purposes
 - If the pending Ameredev Acquisition is not consummated, the Company intends to use the net proceeds of this offering to fund a portion of its exploration and development activities and for general corporate purposes, which may include leasehold interest and property acquisitions, repayment of indebtedness and working capital
- Stephens Inc. served as a Co-Manager on this transaction

According to the Company’s Press Release:

Callon is an independent energy company focused on the acquisition, development, exploration, and operation of oil and gas properties in the Permian Basin in West Texas.

Sources: Company filings.

Stephens Inc. | Member NYSE, SIPC

This material has been prepared solely for informative purposes as of its stated date and is not a solicitation, or an offer, to buy or sell any security. It does not purport to be a complete description of the securities, markets or developments referred to in the material. Information included in the material was obtained from external sources which we consider reliable, but we have not independently verified such information and do not guarantee that it is accurate or complete. Such information is believed to be accurate on the date of issuance of the material. No subsequent publication or distribution of this material shall mean or imply that any such information or opinion remains current at any time after the stated date of the material. We do not undertake to advise you of any changes in any such information or opinion. Additional information is available upon request.

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/928022/000119312516794442/d299791d424b5.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.