

Investment Banking Update

July 12, 2021

\$370 MILLION



LONESTAR
RESOURCES

TO BE ACQUIRED BY



**PENN VIRGINIA
CORPORATION**

Stephens provided a fairness opinion to Lonestar's Board of Directors in the transaction.

Transaction Details

- On July 12, 2021, Penn Virginia Corporation ("Penn Virginia" or the "Company") (NASDAQ: PVAC) and Lonestar Resources US Inc. ("Lonestar") (OTCQX: LONE) announced that they have entered into a definitive merger agreement under which Penn Virginia will acquire Lonestar in an all-stock transaction
 - Under the terms of the agreement, Lonestar shareholders will receive 0.51 share of common stock of Penn Virginia for each share of common stock of Lonestar outstanding
 - The transaction is valued at ~\$370 million as of July 9, 2021, composed of ~5.9 million shares of Penn Virginia common stock and the assumption of ~\$236 million of net debt
- Upon completion of the transaction, Penn Virginia shareholders will own ~87% of the combined company, and Lonestar shareholders will own ~13% of the combined company
 - Lonestar will have the right to nominate one independent director to the Penn Virginia Board of Directors

According to the Company's Press Release

Lonestar Resources US Inc.

Lonestar is an independent oil and natural gas company based in Fort Worth, Texas, focused on the development, production, and acquisition of unconventional oil, NGLs, and natural gas properties in the Eagle Ford Shale in Texas, where Lonestar has accumulated approximately 72,682 gross (53,550 net) acres in what we believe to be the formation's crude oil and condensate windows, as of March 31, 2021. For more information, please visit www.lonestarresources.com.

Penn Virginia Corporation

Penn Virginia is a pure-play independent oil and gas company engaged in the development and production of oil, NGLs, and natural gas, with operations in the Eagle Ford shale in south Texas. For more information, please visit www.pennvirginia.com. The information on the Company's website is not part of this release.

Sources: Publicly-available information and press releases.

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