



Great Western Petroleum, LLC Announces Closing of Equity Recapitalization Plan and Senior Secured Second Lien Notes Offering

DENVER – February 22, 2021 – Great Western Petroleum, LLC (the “*Company*”) today announced that it has completed its previously announced comprehensive equity recapitalization transaction (the “*Recapitalization Transaction*”). The Company has amended and restated its limited liability company agreement to effect the exchange of all outstanding preferred units for new common units. This exchange results in the elimination of annual preferred distributions of approximately \$23.7 million. In addition, as part of the Recapitalization Transaction, The Broe Group has made an additional equity investment in the Company.

Concurrently with the Recapitalization Transaction, the Company and its wholly owned subsidiary, Great Western Finance Corp., as co-issuer (“*Finance Corp.*” and, together with the Company, the “*Issuers*”), completed their previously announced offering (the “*Offering*”) of \$235 million aggregate principal amount of 12.000% Senior Secured Second Lien Notes due 2025 (the “*Notes*”). The Notes will mature on September 1, 2025. The completion of the Offering was a condition precedent to the consummation of the Recapitalization Transaction. The net proceeds from the Offering will be used to redeem in full the Issuers’ outstanding 9.000% Senior Notes due 2021 (the “*2021 Notes*”), which redemption is expected to occur on March 3, 2021. The net proceeds from the Offering were irrevocably deposited with the trustee under the 2021 Notes, along with cash on hand, to satisfy and discharge all of the Issuers’ remaining obligations under the indenture governing the 2021 Notes. Upon such satisfaction and discharge, the indenture governing the 2021 Notes is generally no longer in effect.

Additionally, in connection with the completion of the Offering and the Recapitalization Transaction, the Issuers have exchanged all \$75 million aggregate principal of their outstanding 8.500% Senior Notes due 2025 (the “*Prior 2025 Notes*”) for additional Notes (the “*Private Exchange*”). The Issuers paid accrued and unpaid interest on the Prior 2025 Notes with cash on hand through, but not including, the date of the Private Exchange. The Notes issued in the Private Exchange constitute “Additional Notes” under the indenture governing the Notes and will comprise one series with the Notes issued in the Offering. As a result of the Private Exchange, there are no Prior 2025 Notes outstanding and the indenture governing the Prior 2025 Notes is no longer in effect.

The Notes have not been, and will not be, registered under the Securities Act of 1933, as amended (the “*Securities Act*”), or any state securities laws and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the rules promulgated thereunder and applicable state securities laws. The Notes were offered only to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act and non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any security, nor shall there be any sale of the Notes or any other security of the Issuers, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute a notice of redemption under the optional redemption provisions of the indenture governing the 2021 Notes.

About Great Western Petroleum, LLC

Denver-based Great Western Petroleum, LLC, is an independent oil and natural gas company focused on the exploration,

development, acquisition and exploitation of unconventional reserves of oil, natural gas and NGLs in the core of the Wattenberg Field, which is located within the DJ Basin. The Company's properties are primarily located in northwestern Adams County and western Weld County in Colorado.

Forward-Looking Statements

The information in this press release includes "forward-looking statements." All statements, other than statements of historical facts, included in this press release, concerning, among other things, planned capital expenditures, increases in oil and gas production, future cash flows and borrowings, the Company's financial position, business strategy and other plans and objectives for future operations, are forward-looking statements. When used in this press release, the words "may," "expect," "estimate," "project," "plan," "believe," "intend," "achievable," "anticipate," "will," "continue," "potential," "should," "could," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on the Company's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. These forward-looking statements are based on management's current beliefs, based on currently available information, as to the outcome and timing of future events, which may differ from actual outcomes due to, among other things: the Company's ability to continue as a going concern, the volatility of oil, natural gas and NGL prices or a prolonged period of low oil, natural gas or NGL prices and the effects of actions by, or disputes among or between, members of the Organization of Petroleum Exporting Countries, such as Saudi Arabia, and other oil and natural gas producing countries, such as Russia, with respect to production levels or other matters related to the price of oil; the effects of public health threats, pandemics and epidemics, such as the ongoing outbreak of COVID 19, and the adverse impact thereof on the Company's business, financial condition and results of operations, including, but not limited to, the Company's growth, operating costs, supply chain, labor availability, logistical capabilities, the Company's liquidity, the Company's ability to access capital markets, and the global economy and financial markets generally; decreased demand for the Company's oil, natural gas and NGLs and industry demand generally as a result of the ongoing outbreak of COVID-19 and possibly longer-term recessionary impacts of COVID-19, elimination of available storage options, which could further reduce demand and cause additional constraints on operations; uncertainties about, or revisions to, the Company's estimated oil, natural gas and NGL reserves, the presence or recoverability of estimated oil, natural gas and NGL reserves and actual future production rates and associated costs of the Company's properties; the Company's ability to discover, estimate, develop and replace oil, natural gas and NGL reserves; incorrect estimates associated with properties we acquire relating to estimated proved reserves; the presence or recoverability of estimated oil, natural gas and NGL reserves and the actual future production rates and associated costs of such acquired properties; weakness in economic conditions and uncertainty in financial markets, including the availability of credit and access to existing lines of credit; changes in domestic and global production, supply and demand for oil, natural gas and NGLs; operating hazards and difficulties inherent in the exploration and production of oil, natural gas and NGLs, including adverse weather and environmental conditions; the Company's ability to meet the Company's proposed drilling schedule and to successfully drill wells that produce oil or natural gas in commercially viable quantities; the Company's ability to satisfy the covenants in the Company's debt instruments and agreements, capital requirements and uncertainty of obtaining additional funding on terms acceptable to the Company; the Company's ability to control capital and operating expenditures, the availability and cost of drilling and production equipment, supplies, raw materials and third-party labor; the Company's ability to secure adequate fresh water and wastewater disposal capacity; title uncertainties or defects in the Company's properties and inability to retain the Company's leases; the Company's ability to hold title to the Company's leasehold by production, competition in the onshore United States exploration and production industry, geographical concentration of the Company's operations in the DJ Basin; the Company's ability to develop a successful marketing plan for the Company's oil, natural gas and NGL production; constraints in the DJ Basin with respect to gathering, transportation and processing facilities and marketing; the Company's ability to execute the Company's financial and operational strategies, including, but not limited to, the Company's hedging strategies; the Company's ability to mitigate credit risks posed by the Company's counterparties, including significant purchasers of the Company's production and derivative counterparties, the Company's ability to implement new or improved technologies in the Company's business; the Company's ability to implement new or improved technologies in the Company's business; the Company's ability to manage growth, successfully identify and consummate strategic acquisitions at purchase prices that are accretive to the Company's financial results and successfully integrate acquired businesses, assets and properties; changes to federal, state and local regulations, permitting processes and taxes, including the adoption of regulations that prohibit or restrict the Company's ability to apply hydraulic fracturing to the Company's oil and natural gas wells and to

access and dispose of water used in these operations; environmental hazards, such as uncontrollable flows of oil, natural gas, brine, produced water, well fluids, toxic gases or other hazardous materials into the environment, including groundwater, air, soil and surface water contamination; the Company's ability to avoid material legal or environmental liabilities, the impact of seasonal weather conditions on the Company's operations; security threats, including cybersecurity attacks, computer viruses or malware, and terrorist attacks, against, or otherwise impacting, the Company's facilities and systems; volatility in global financial markets; and the development and comparative cost of alternative energy sources. While the Company makes these statements and projections in good faith, neither the Company nor the Company's management can guarantee that anticipated future results will be achieved. The Company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the Company, whether as a result of new information, future events, or otherwise.

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