

Chesapeake Energy Corporation Announces Final Results Of Cash Tender Offers For Non-Convertible Senior Notes

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OKLAHOMA CITY, Jan. 5, 2017 /PRNewswire/ -- Chesapeake Energy Corporation (NYSE: CHK) announced today the expiration and final results of its offers to purchase for cash (the "Tender Offers") up to \$1,200,000,000 aggregate purchase price (exclusive of accrued interest) (the "Aggregate Maximum Purchase Amount") of the outstanding notes of Chesapeake set forth in the table below (collectively, the "Notes"). As of 11:59 p.m., New York City time, on January 4, 2017 (such date and time, the "Expiration Date"), Chesapeake received valid tenders totaling approximately \$554.1 million aggregate principal amount of the Notes.

The following table sets forth the approximate aggregate principal amounts of each series of Notes that were tendered and not withdrawn on or prior to the Expiration Date:

| Series of Notes | CUSIP Number/ ISIN | Aggregate Principal Amount Outstanding Prior to Tender Offers | Approximate Aggregate Principal Amount of Notes Tendered | Aggregate Principal Amount Accepted on Early Settlement Date | Tender Caps ⁽¹⁾ | Acceptance Priority Level | Total Consideration ⁽³⁾ |
|-------------------------------------|---------------------------|---|--|--|----------------------------|---------------------------|------------------------------------|
| 6.5% Senior Notes due 2017 | 165167BS5 | \$222,752,000 | \$89,991,000 | \$88,977,000 | | 1 | \$1,034.00 |
| 7.25% Senior Notes due 2018 | 165167CC9 | \$349,065,000 | \$285,027,000 | \$284,987,000 | N/A | 1 | \$1,085.00 |
| Floating Rate Senior Notes due 2019 | 165167CM7 | \$504,179,000 | \$124,627,000 | \$124,577,000 | | 1 | \$990.00 |
| 6.625% Senior Notes due 2020 | 165167CF2 | \$806,882,000 | \$26,776,000 | \$26,605,000 | | 2 | \$1,010.00 |
| 6.875% Senior Notes due 2020 | 165167BU0 | | | | \$150,000,000 | | |
| 6.125% Senior Notes due 2020 | 165167BT3 USU16450AQ87 | \$291,047,000 | \$12,069,000 | \$11,998,000 | | 2 | \$995.00 |
| 6.125% Senior Notes due | 165167CG0 | \$554,348,000 | \$4,021,000 | \$3,959,000 | | 3 | \$962.50 |

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|---|------------------------|-----------------|-------------|-------------|---|------------|
| 3.0275% Senior Notes due 2021 | 165167CK1 | \$272,264,000 | \$2,357,000 | \$2,330,000 | 3 | \$922.50 |
| 4.875% Senior Notes due 2022 | 165167CN5 | \$453,055,000 | \$1,830,000 | \$1,830,000 | 3 | \$895.00 |
| 8.00% Senior Secured Second Lien Notes due 2022 | 165167CQ8 U16450AT2 | \$2,425,206,000 | \$6,253,000 | \$6,203,000 | 3 | \$1,060.00 |
| 5.75% Senior Notes due 2023 | 165167CL9 | \$338,852,000 | \$1,099,000 | \$1,099,000 | 3 | \$915.00 |

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|---|--|--|--|--|--|--|
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| (1) A \$150,000,000 Tender Cap applies to the aggregate purchase price (exclusive of accrued interest) of the 6.625% Senior Notes due 2020 and the 6.875% Senior Notes due 2020. A separate \$150,000,000 Tender Cap applies to the aggregate purchase price (exclusive of accrued interest) of the 6.125% Senior Notes due 2021, 5.375% Senior Notes due 2021, 4.875% Senior Notes due 2022, 8.00% Senior Secured Second Lien Notes due 2022 and 5.75% Senior Notes due 2023, collectively. In addition, Priority 2 Notes and Priority 3 Notes (each as defined in the Offer to Purchase dated December 6, 2016) are subject to the Long-Dated Tender Cap (as defined in the Offer to Purchase). | | | | | | |
| (2) Per \$1,000 principal amount of Notes validly tendered and accepted for purchase in the applicable Tender Offer (exclusive of any accrued interest, which will be paid in addition to the Tender Offer Consideration or the Total Consideration, as applicable, to, but not including, the applicable Settlement Date (each as defined in the Offer to Purchase)). Subject to the Aggregate Maximum Purchase Amount, the Tender Caps and proration described in the Offer to Purchase, notes validly tendered at or prior to the Early Tender Date will be accepted for purchase before any notes validly tendered after the Early Tender Date. | | | | | | |
| (3) Includes the applicable Early Tender Premium (as defined in the Offer to Purchase). | | | | | | |

Chesapeake accepted for purchase approximately \$552.6 million aggregate principal amount of Notes that were validly tendered and not validly withdrawn as of 5:00 p.m., New York City time, on December 19, 2016 (the "Early Tender Date") for an aggregate consideration of approximately \$578.5 million, excluding accrued and unpaid interest. The early settlement date for such notes occurred on December 21, 2016. Chesapeake is accepting the additional \$1.5 million aggregate principal amount of the Notes that were validly tendered and not validly withdrawn after the Early Tender Date for aggregate consideration of approximately \$1.5 million, excluding accrued and unpaid interest. Chesapeake expects to make payment for the Notes accepted for purchase in same-day funds on January 6, 2017.

Deutsche Bank Securities Inc. acted as the dealer manager in the Tender Offers. Global Bondholder Services Corporation served as both the depositary and the information agent for the Tender Offers. Persons with questions regarding the Tender Offers should contact Deutsche Bank Securities Inc. at (toll-free) (855) 287-1922 or (collect) (212) 250-7527.

From time to time after completion of the Tender Offers, Chesapeake and its affiliates may purchase additional Notes in the open market, in privately negotiated transactions, through additional tender offers, exchange offers or otherwise, or Chesapeake may redeem Notes that are able to be redeemed, pursuant to their terms. Any future purchases, exchanges or redemptions may be on the same terms or on terms that are more or less favorable to holders of Notes than the terms of the Tender Offers. Any future purchases, exchanges or redemptions by Chesapeake and its affiliates will depend on

various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) Chesapeake and its affiliates may choose to pursue in the future.

Headquartered in Oklahoma City, Chesapeake Energy Corporation's (NYSE: CHK) operations are focused on discovering and developing its large and geographically diverse resource base of unconventional oil and natural gas assets onshore in the United States. The company also owns oil and natural gas marketing and natural gas gathering and compression businesses.

This news release includes "forward-looking statements" that give the company's current expectations or forecasts of future events, including the timing of the settlement of the Tender Offers. Although we believe the expectations and forecasts reflected in our forward-looking statements are reasonable, we can give no assurance they will prove to have been correct. They can be affected by inaccurate or changed assumptions or by known or unknown risks and uncertainties (including the satisfaction of conditions precedent to completing the Tender Offers, the ability to consummate any or all of the Tender Offers and those stated in the company's Annual Report on Form 10-K for the year ended December 31, 2015 and its other filings with the SEC), and actual results may differ from the expectation expressed. We caution you not to place undue reliance on our forward-looking statements, which speak only as of the date of this news release, and we undertake no obligation to update this information, except as required by applicable law.

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