

Consistent Returns, Sustainable Future

3Q 2021 EARNINGS / NOVEMBER 3, 2021



CHESAPEAKE
ENERGY

Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements other than statements of historical fact. They include statements that give our current expectations, management’s outlook guidance or forecasts of future events, expected natural gas and oil growth trajectory, projected cash flow and liquidity, our ability to enhance our cash flow and financial flexibility, dividend plans, future production and commodity mix, plans and objectives for future operations, ESG initiatives, the ability of our employees, portfolio strength and operational leadership to create long-term value, and the assumptions on which such statements are based. Although we believe the expectations and forecasts reflected in the 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.

Factors that could cause actual results to differ materially from expected results include those described under “Risk Factors” in Item 1A of our annual report on Form 10-K and any updates to those factors set forth in Chesapeake’s subsequent quarterly reports on Form 10-Q or current reports on Form 8-K (available at <http://www.chk.com/investors/sec-filings>). These risk factors include: the impact of the COVID-19 pandemic and its effect on the company’s business, financial condition, employees, contractors and vendors, and on the global demand for oil and natural gas and U.S. and world financial markets; the volatility of oil, natural gas and NGL prices; the limitations our level of indebtedness may have on our financial flexibility; our inability to access the capital markets on favorable terms; the availability of cash flows from operations and other funds to fund cash dividends, to finance reserve replacement costs or satisfy our debt obligations; write-downs of our oil and natural gas asset carrying values due to low commodity prices; our ability to replace reserves and sustain production; uncertainties inherent in estimating quantities of oil, natural gas and NGL reserves and projecting future rates of production and the amount and timing of development expenditures; our ability to generate profits or achieve targeted results in drilling and well operations; leasehold terms expiring before production can be established; commodity derivative activities resulting in lower prices realized on oil, natural gas and NGL sales; the need to secure derivative liabilities and the inability of counterparties to satisfy their obligations; adverse developments or losses from pending or future litigation and regulatory proceedings, including royalty claims; charges incurred in response to market conditions; drilling and operating risks and resulting liabilities; effects of environmental protection laws and regulations on our business; legislative and regulatory initiatives further regulating hydraulic fracturing; our need to secure adequate supplies of water for our drilling operations and to dispose of or recycle the water used; impacts of potential legislative and regulatory actions addressing climate change; federal and state tax proposals affecting our industry; potential OTC derivatives regulation limiting our ability to hedge against commodity price fluctuations; competition in the oil and gas exploration and production industry; a deterioration in general economic, business or industry conditions; negative public perceptions of our industry; limited control over properties we do not operate; pipeline and gathering system capacity constraints and transportation interruptions; terrorist activities and cyber-attacks adversely impacting our operations; and an interruption in operations at our headquarters due to a catastrophic event.

In addition, disclosures concerning the estimated contribution of derivative contracts to our future results of operations are based upon market information as of a specific date. These market prices are subject to significant volatility. Our production forecasts are also dependent upon many assumptions, including estimates of production decline rates from existing wells and the outcome of future drilling activity. We caution you not to place undue reliance on our forward-looking statements that speak only as of the date of this presentation, and we undertake no obligation to update any of the information provided in this presentation, except as required by applicable law. In addition, this presentation contains time-sensitive information that reflects management’s best judgment only as of the date of this presentation.

CHK Strategic Priorities

- ▶ **Disciplined capital investment**
 - Focused on highest ROR opportunities
 - Targeting 60% – 70% reinvestment of projected adjusted EBITDAX through cycles
- ▶ **Return cash to shareholders**
 - Base dividend increase 27% to \$1.75/share/year
 - Variable return program will deliver 50%⁽¹⁾⁽²⁾ of the previous quarter's FCF to investors in cash, beginning in March 2022
- ▶ **Maintain balance sheet strength <1x long-term leverage⁽¹⁾**
- ▶ **Achieve net-zero direct GHG emissions by 2035**
 - Eliminate routine flaring on all new wells completed from 2021 forward and enterprise-wide by 2025
 - Reduce methane intensity⁽³⁾ to 0.09% and GHG intensity⁽⁴⁾ to 5.5 by 2025
- ▶ **Deliver sustainable free cash flow**
 - >\$6B of FCF projected through 2025⁽⁵⁾

(1) A non-GAAP measure as defined in the appendix.

(2) CHK plans to adopt a variable return program that will result in the payment of an additional dividend, payable beginning in March 2022, equal to the sum of free cash flow from the prior quarter less the base quarterly dividend, multiplied by 50%.

2022 Value Drivers

- ▶ **Disciplined capital allocation**
 - ~85% of 2022 Capex focused on high-certainty return opportunities in Marcellus, Haynesville and STX Lower EF
 - ~15% of 2022 Capex focused on further portfolio delineation
 - Austin Chalk in STX business unit
 - Wider spacing in Brazos Valley and PRB expected to deliver superior results
- ▶ **Lowering breakevens across portfolio**
- ▶ **Marketing ~3 bcf/d RSG⁽⁶⁾ certified volumes**
- ▶ **Reducing GHG and methane emissions enterprise-wide**

(3) Defined as volume methane emissions / volume gross gas produced.

(4) Defined as tCO₂e/gross mboe produced.

(5) Estimated based on actual results through 9/30/21 and incorporates 10/29/21 strip pricing from 4Q 2021 to 2025.

(6) Responsibly Sourced Gas

3Q Highlights: Delivering Value

Adjusted EBITDAX⁽¹⁾
\$519mm

Base dividend increase
27%
to \$1.75/share/year

Free cash flow⁽¹⁾
\$265mm

Balance sheet cash
\$849mm

as of 9/30/21

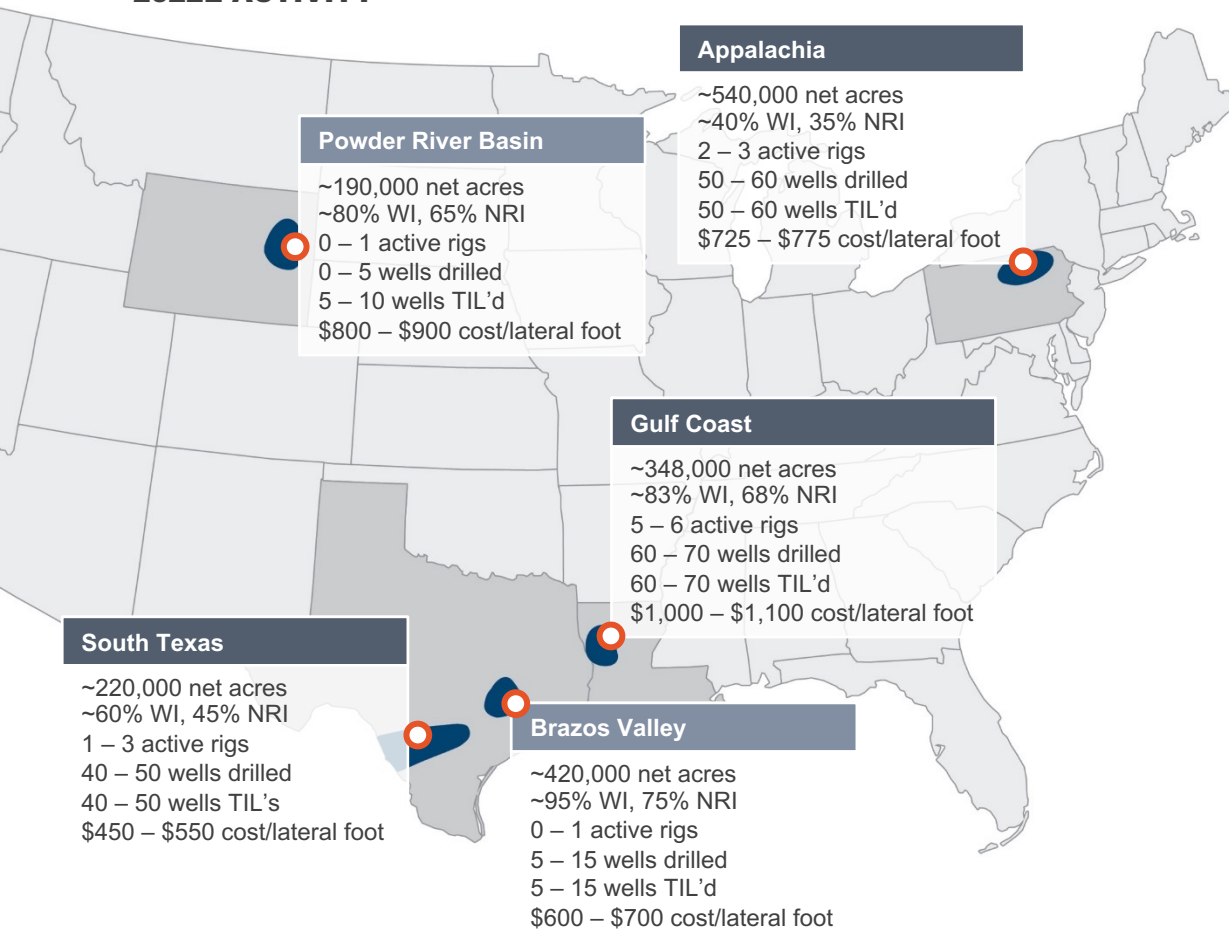
Net debt⁽¹⁾ to 2021E
adjusted EBITDAX

0.2x
as of 9/30/21

(1) A non-GAAP measure as defined in the appendix.

2022: Continuing to Build Momentum

2022E ACTIVITY



2022E PRELIMINARY OUTLOOK

Adjusted EBITDAX

\$3.2 – \$3.4 billion

Net debt to 2022E
adjusted EBITDAX⁽¹⁾

0.4x as of 9/30/21 PF Vine

Capex

\$1.3 – \$1.6 billion

Production

575 – 595 mboe/d

Gas: 3.0 – 3.1 bcf/d

Oil: 55 – 60 mbb/d

~85% focused on high-certainty return opportunities in Marcellus, Haynesville and STX Lower EF

Rig count

10 – 12 | Gas: 8 – 9
Oil: 2 – 3

~15% focused on further portfolio delineation

Reinvestment rate

~44%

(1) A non-GAAP measure as defined in the appendix.

Reducing Direct GHG and Methane Emissions

0

Routine flaring on wells completed in 2021 and beyond, enterprise-wide by 2025

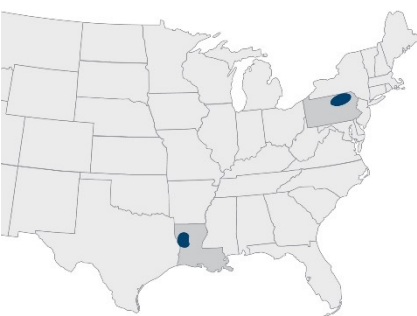
5.5

GHG intensity by 2025
(tCO₂e/gross mboe produced)

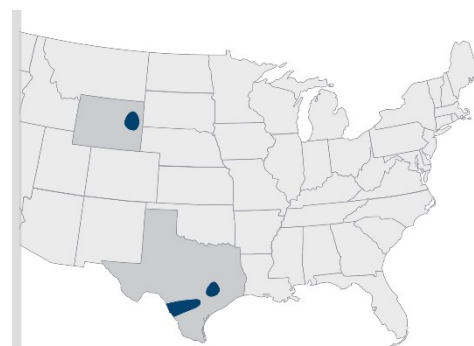
0.09%

Methane intensity by 2025
(volume methane emissions/
volume gross gas produced)

► Advancing Our Sustainability Commitments



On target to be 100% RSG certified in Haynesville by YE 2021 and end of 2Q'22 in Marcellus



Intend to invest >\$30mm in ESG initiatives, including retrofitting >19,000 pneumatic devices by end of 2022, reducing reported GHG emissions⁽¹⁾ by ~40% and methane emissions by ~80%

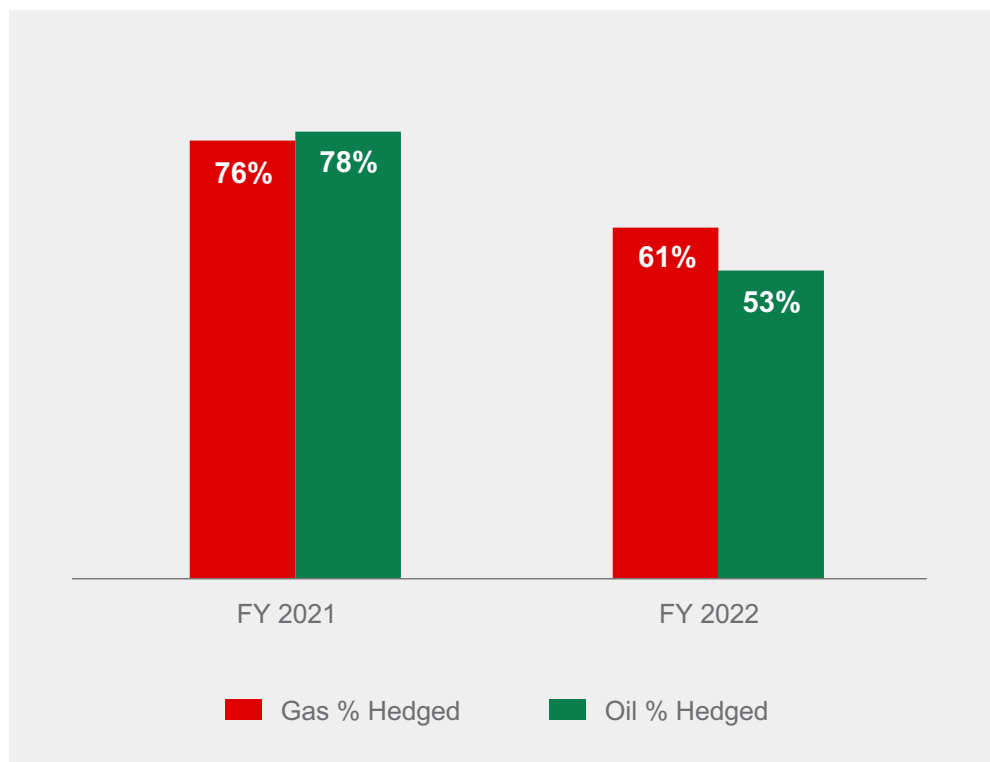
(1) As reported under 40 CFR 98 Subpart W

Appendix



CHESAPEAKE
ENERGY

Current CHK PF Hedge Book with Prices



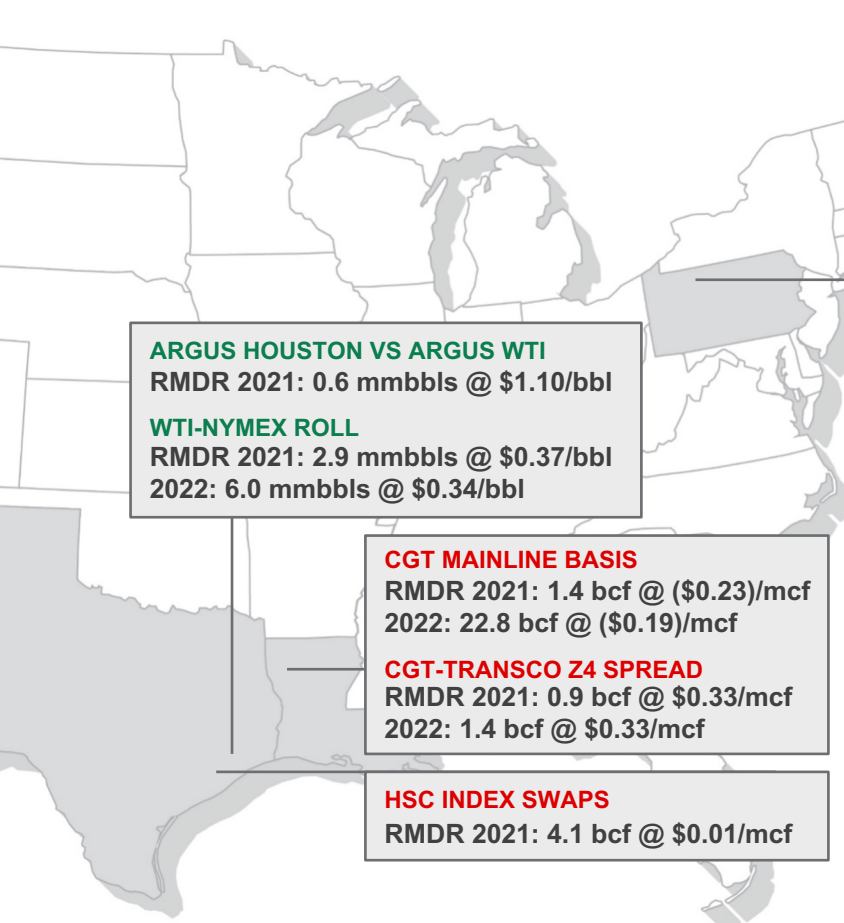
AVERAGE HEDGED PRICE	RMDR 2021	FY 2022	FY 2023
Gas (\$/mcf)	\$2.66 – \$2.69	\$2.73 – \$3.06	\$2.68
Oil (\$/bbl)	\$42.62	\$44.30	\$47.17

Date	NATURAL GAS					OIL	
	SWAPS		COLLARS			SWAPS	
	Volume bcf	Avg. Price \$/mcf	Volume bcf	Avg. Put \$/mcf	Avg. Call \$/mcf	Volume mmbbl	Avg. Price \$/bbl
4Q 2021	166.8	2.66	11.9	2.73	3.18	4.3	42.62
RMDR 2021	166.8	2.66	11.9	2.73	3.18	4.3	42.62
1Q 2022	176.7	2.88	18.0	2.50	2.86	3.2	43.57
2Q 2022	100.7	2.52	51.8	2.93	4.02	2.8	43.12
3Q 2022	104.5	2.55	48.7	2.97	4.21	2.7	44.85
4Q 2022	91.5	2.56	86.4	2.83	4.00	2.6	45.92
FY 2022	473.5	2.67	205.0	2.86	3.96	11.2	44.30
1Q 2023	110.7	2.72	–	–	–	1.9	47.17
2Q 2023	6.0	2.45	–	–	–	–	–
3Q 2023	4.2	2.44	–	–	–	–	–
4Q 2023	11.5	2.50	–	–	–	–	–
FY 2023	132.4	2.68	–	–	–	1.9	47.17

Note: Hedged volumes and prices reflect positions as of 11/2/2021. VEI hedges included starting Nov-2021.

Hedged Basis Projection

As of 11/2/2021



APPALACHIA NATURAL GAS HEDGES																		
Date	BASIS									TRANSPORT SPREAD ⁽¹⁾								
	TOTAL APPALACHIA			TETCO M3			TGP Z4 300L			LEIDY			TETCO M3			LEIDY		
	Volume bcf	% of Exposure	Avg. Price \$/mcf	Volume bcf	% of Exposure	Avg. Price \$/mcf	Volume bcf	% of Exposure	Avg. Price \$/mcf	Volume bcf	% of Exposure	Avg. Price \$/mcf	Volume bcf	% of Exposure	Avg. Price \$/mcf	Volume bcf	% of Exposure	Avg. Price \$/mcf
4Q 2021	26.3	22%	(0.59)	9.2	32%	(0.01)	10.3	27%	(0.89)	6.8	16%	(0.90)	5.4	19%	0.79	0.8	2%	0.11
RMDR 2021	26.3	22%	(0.59)	9.2	32%	(0.01)	10.3	27%	(0.89)	6.8	16%	(0.90)	5.4	19%	0.79	0.8	2%	0.11
1Q 2022	18.9	17%	(0.30)	6.8	24%	0.59	7.7	25%	(0.82)	4.5	11%	(0.74)	11.1	40%	0.79	-	-	-
2Q 2022	1.4	1%	(0.07)	1.4	5%	(0.07)	-	-	-	-	-	-	11.3	38%	0.79	-	-	-
3Q 2022	1.4	1%	(0.07)	1.4	4%	(0.07)	-	-	-	-	-	-	11.4	37%	0.79	-	-	-
4Q 2022	0.5	0%	(0.07)	0.5	2%	(0.07)	-	-	-	-	-	-	9.9	33%	0.77	-	-	-
FY 2022	22.1	5%	(0.26)	10.0	8%	0.38	7.7	4%	(0.82)	4.5	5%	(0.74)	43.7	37%	0.78	-	-	-
1Q 2023	-	-	-	-	-	-	-	-	-	-	-	-	6.8	23%	0.76	-	-	-
2Q 2023	-	-	-	-	-	-	-	-	-	-	-	-	6.8	22%	0.76	-	-	-
3Q 2023	-	-	-	-	-	-	-	-	-	-	-	-	6.9	22%	0.76	-	-	-
4Q 2023	-	-	-	-	-	-	-	-	-	-	-	-	2.9	9%	0.76	-	-	-
FY 2023	-	-	-	-	-	-	-	-	-	-	-	-	23.4	19%	0.76	-	-	-

(1) Transport spread vs. TGP Z4 300L

Management's Outlook as of November 2, 2021

	2021E CHK Previous	2021E CHK 11/2/21	2021E CHK Pro Forma
Total production:			
Oil – mmbbls	23.5 – 25.5	24.5 – 26.5	24.5 – 26.5
NGL – mmbbls	6.5 – 8.5	6.5 – 8.5	6.5 – 8.5
Natural gas – bcf	725 – 745	735 – 755	790 – 810
Total daily rate – mboe per day	415 – 435	420 – 440	445 – 465
Estimated basis to NYMEX prices, based on 10/29/21 strip prices:			
Oil – \$/bbl	(\$0.90) – (\$1.30)	(\$0.90) – (\$1.30)	(\$0.90) – (\$1.30)
Natural gas – \$/mcf	(\$0.40) – (\$0.50)	(\$0.35) – (\$0.45)	(\$0.20) – (\$0.30)
NGL – realizations as a % of WTI	40% – 45%	45% – 50%	45% – 50%
Operating costs per boe of projected production:			
Production expense	\$1.85 – \$2.15	\$1.85 – \$2.15	\$1.80 – \$2.10
Gathering, processing and transportation expenses	\$4.90 – \$5.40	\$4.90 – \$5.40	\$4.90 – \$5.40
Oil – \$/bbl	\$2.65 – \$2.85	\$2.65 – \$2.85	\$2.65 – \$2.85
Natural Gas – \$/mcf	\$0.90 – \$1.00	\$0.90 – \$1.00	\$0.90 – \$1.00
Severance and ad valorem taxes	\$0.90 – \$1.10	\$0.90 – \$1.10	\$0.90 – \$1.10
General and administrative⁽¹⁾	\$0.75 – \$0.95	\$0.75 – \$0.95	\$0.70 – \$0.90
Depreciation, depletion and amortization expense	\$5.00 – \$6.00	\$5.00 – \$6.00	\$5.00 – \$6.00
Marketing net margin and Other (\$ in millions)	\$0 – \$10	\$10 – \$20	\$10 – \$20
Interest expense (\$ in millions)⁽²⁾	\$70 – \$80	\$70 – \$80	\$80 – \$90
Cash taxes (\$ in millions)	\$0 – \$20	\$0 – \$20	\$0 – \$20
Adjusted EBITDAX, based on 10/29/21 strip prices (\$ in millions)⁽³⁾	\$1,800 – \$1,900	\$2,000 – \$2,100	\$2,100 – \$2,200
Total capital expenditures (\$ in millions)	\$670 – \$740	\$670 – \$740	\$740 – \$810

(1) Includes ~\$0.06/boe of expenses associated with stock-based compensation, which are recorded in general and administrative expenses in Chesapeake's Condensed Consolidated Statement of Operations.

(2) Includes ~\$25 million of non-cash interest expense due to timing of interest payments in 2021.

(3) Adjusted EBITDAX is a non-GAAP measure used by management to evaluate the company's operational trends and performance relative to other oil and natural gas producing companies. Adjusted EBITDAX excludes certain items that management believes affect the comparability of operating results. The most directly comparable GAAP measure is net income (loss), but it is not possible, without unreasonable efforts, to identify the amount or significance of events or transactions that may be included in future GAAP net income (loss) but that management does not believe to be representative of underlying business performance. The company further believes that providing estimates of the amounts that would be required to reconcile forecasted adjusted EBITDAX to forecasted GAAP net income (loss) would imply a degree of precision that may be confusing or misleading to investors. Items excluded from net income (loss) to arrive at adjusted EBITDAX include interest expense, income taxes, depreciation, depletion and amortization expense, and exploration expense as well as one-time items or items whose timing or amount cannot be reasonably estimated.

2022 Preliminary Outlook as of November 2, 2021

	2022E CHK Previous	2022E CHK 11/2/2021
Total production:		
Oil – mmbbls	20.0 – 22.0	20.0 – 22.0
Natural gas – bcf	1,095 – 1,125	1,095 – 1,125
Total daily rate – mboe per day	575 – 595	575 – 595
Operating costs per boe of projected production:		
Production expense	\$1.65 – \$1.95	\$1.65 – \$1.95
Gathering, processing and transportation expenses	\$3.90 – \$4.40	\$3.90 – \$4.40
General and administrative	\$0.55 – \$0.75	\$0.55 – \$0.75
Interest expense (\$ in millions)	—	\$120 – \$130
Cash taxes (\$ in millions)	—	\$100 – \$160
Adjusted EBITDAX, based on 10/29/21 strip prices (\$ in millions)⁽¹⁾	\$2,550 – \$2,750	\$3,200 – \$3,400
Total capital expenditures (\$ in millions)	\$1,300 – \$1,600	\$1,300 – \$1,600

(1) Adjusted EBITDAX is a non-GAAP measure used by management to evaluate the company's operational trends and performance relative to other oil and natural gas producing companies. Adjusted EBITDAX excludes certain items that management believes affect the comparability of operating results. The most directly comparable GAAP measure is net income (loss), but it is not possible, without unreasonable efforts, to identify the amount or significance of events or transactions that may be included in future GAAP net income (loss) but that management does not believe to be representative of underlying business performance. The company further believes that providing estimates of the amounts that would be required to reconcile forecasted adjusted EBITDAX to forecasted GAAP net income (loss) would imply a degree of precision that may be confusing or misleading to investors. Items excluded from net income to arrive at adjusted EBITDAX include interest expense, income taxes, depreciation, depletion and amortization expense, and exploration expense as well as one-time items or items whose timing or amount cannot be reasonably estimated. Items in bold represent changes from previous guidance issued on August 11, 2021.

Reconciliation of Net Income (Loss) to Adjusted EBITDAX (unaudited)

	Successor	Predecessor
	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
<i>(\$ in millions)</i>		
Net loss (GAAP)	\$ (345)	\$ (745)
Adjustments:		
Interest expense	17	25
Income tax benefit	(10)	—
Depreciation, depletion and amortization	228	170
Exploration	2	5
Unrealized losses on oil and natural gas derivatives	618	169
Separation and other termination costs	—	16
Gains on sales of assets	(3)	(1)
Other operating income, net	6	2
Reorganization items, net	—	611
Other	6	(1)
Adjusted EBITDAX (Non-GAAP)	\$ 519	\$ 251

Adjusted EBITDAX is not a measure of financial performance under GAAP, and should not be considered as an alternative to, or more meaningful than, net income (loss) prepared in accordance with GAAP. Adjusted EBITDAX excludes certain items that management believes affect the comparability of operating results. The company believes this non-GAAP financial measure is a useful adjunct to cash flow provided by operating activities because: (i) Management uses adjusted EBITDAX to evaluate the company's operational trends and performance relative to other oil and natural gas producing companies. (ii) Adjusted EBITDAX is more comparable to estimates provided by securities analysts. (iii) Items excluded generally are one-time items or items whose timing or amount cannot be reasonably estimated. Accordingly, any guidance provided by the company generally excludes information regarding these types of items. Because adjusted EBITDAX excludes some, but not all, items that affect net income (loss), our calculations of adjusted EBITDAX may not be comparable to similarly titled measures of other companies.

Reconciliations of Free Cash Flow and Net Debt

FREE CASH FLOW

	Successor	Predecessor
	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
<i>(\$ in millions)</i>		
Net cash provided by operating activities (GAAP)	\$ 443	\$ 382
Cash paid for reorganization items, net	—	63
Capital expenditures	(178)	(106)
Free cash flow (Non-GAAP)	\$ 265	\$ 339

NET DEBT

	Successor
	September 30, 2021
<i>(\$ in millions)</i>	
Total debt (GAAP)	\$ 1,259
Premiums and issuance costs on debt	(38)
Principal amount of debt	1,221
Cash and cash equivalents	(849)
Net debt (Non-GAAP)	\$ 372

Non-GAAP Financial Measures

This document includes non-GAAP financial measures. Such non-GAAP measures should not be considered as an alternative to, or more meaningful than, GAAP measures. The Company's management believes that these measures provide useful information to external users of the Company's consolidated financial statements, such as industry analysts, lenders and ratings agencies. Due to the forward-looking nature of adjusted EBITDAX, net debt, projected free cash flow, free cash flow yield and free cash flow per share used herein, management cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures. Accordingly, the Company is unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures without unreasonable effort. Amounts excluded from these non-GAAP measures in future periods could be significant.

Adjusted EBITDAX: Adjusted EBITDAX is a non-GAAP measure used by management to evaluate the Company's operational trends and performance relative to other oil and natural gas producing companies. Adjusted EBITDAX excludes certain items that management believes affect the comparability of operating results. The most directly comparable GAAP measure is net income (loss). Items excluded from net income (loss) to arrive at adjusted EBITDAX include interest expense, income taxes, depreciation, depletion and amortization expense, and exploration expense as well as one-time items or items whose timing or amount cannot be reasonably estimated.

Net Debt: Net debt is defined as total GAAP debt excluding premiums, discounts, and deferred issuance costs less cash and cash equivalents. Net debt is presented as a widely understood measure of liquidity, but should not be considered as an alternative to, or more meaningful than, total debt presented in accordance with GAAP.

Free Cash Flow, Free Cash Flow Yield and Free Cash Flow Per Share:

- Free cash flow is defined as net cash provided by operating activities (GAAP), plus cash paid for reorganization items, net, less cash capital expenditures.
- Free cash flow yield is defined as free cash flow divided by market capitalization.
- Free cash flow per share is defined as free cash flow divided by the Company's outstanding shares of common stock.

Free cash flow, free cash flow yield and free cash flow per share are non-GAAP supplemental financial measures used by the Company's management to assess liquidity, including the Company's ability to generate cash flow in excess of its capital requirements and return cash to shareholders. Free cash flow, free cash flow yield and free cash flow per share should not be considered as alternatives to, or more meaningful than, net cash provided by operating activities or any other measure of liquidity presented in accordance with GAAP.