

OKLAHOMA CITY, May 22, 2017 /PRNewswire/ -- [Chesapeake Energy Corp.](#) (NYSE:CHK) today announced that it has priced its private placement to eligible purchasers of \$750,000,000 aggregate principal amount of 8.00% senior notes due 2027 (the "notes").

The notes will bear interest at a rate of 8.00% per annum, payable semi-annually on June 15 and December 15 of each year, beginning on December 15, 2017. The notes will mature on June 15, 2027. Chesapeake may redeem some or all of the notes at any time prior to June 15, 2022 at a price equal to 100% of the principal amount of the notes to be redeemed plus a "make-whole" premium. In addition, Chesapeake may redeem some or all of the notes at any time on or after June 15, 2022 at the applicable redemption price in accordance with the terms of the notes and the indenture and supplemental indenture governing the notes. In addition, subject to certain conditions, Chesapeake may redeem up to 35% of the aggregate principal amount of the notes at any time prior to June 15, 2020 at a price equal to 108% of the principal amount of the notes to be redeemed using the net proceeds of certain equity offerings by Chesapeake.

The closing of the private placement is expected to occur on June 6, 2017 and is subject to the satisfaction of customary closing conditions.

Chesapeake intends to use the net proceeds from the offering, together with cash on hand and borrowings under its revolving credit facility (if required), to finance tender offers for certain of its senior notes announced today. If the tender offers are not consummated or the net proceeds from the offering exceed the total consideration payable in the tender offers, Chesapeake intends to use the remaining net proceeds from the offering for general corporate purposes, which may include the repayment of outstanding indebtedness under its credit facility and the repayment or repurchase of other indebtedness.

The notes are being offered and sold to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act. The offer and sale of the notes and the related subsidiary guarantees have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws.

This press release does not constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale is unlawful. Any offers of the securities will be made in the United States only by means of a private offering circular pursuant to Rule 144A under the Securities Act, and outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act. This press release does not constitute an offer to purchase or a solicitation of an offer to sell Chesapeake's outstanding senior notes subject to the concurrent tender offers. The concurrent tender offers are being made only by and pursuant to, and on the terms and conditions set forth in, the Offer to Purchase dated May 22, 2017 and the related letter of transmittal.

Headquartered in Oklahoma City, [Chesapeake Energy Corp.](#)'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. Chesapeake also owns oil and natural gas marketing and natural gas compression businesses.

This news release includes "forward-looking statements" that give Chesapeake's current expectations or forecasts of future events, including the timing of the settlement and amounts to be purchased in the Tender Offers and the results of the proposed notes offering. 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, including the ability to consummate the proposed notes offering, the ability to consummate any or all of the Tender Offers and those stated in Chesapeake's Annual Report on Form 10-K for the year ended December 31, 2016 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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