Apache Corporation Announces Cash Tender Offers for up to $460,000,000 in Aggregate Purchase Price of Senior Notes

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HOUSTON, Aug. 03, 2020 - Apache Corp. (NASDAQ: APA) today announced the commencement of tender offers (each, an “Offer” and, collectively, the “Offers”) to purchase up to $460,000,000 in aggregate purchase price (excluding accrued and unpaid interest, fees and expenses) (as such amount may be increased or eliminated by Apache pursuant to the terms of the Offers, the “Aggregate Maximum Purchase Price”) of its outstanding notes listed in the table below.

The terms and conditions of the Offers are set forth in Apache’s Offer to Purchase, dated August 3, 2020 (the “Offer to Purchase”).

The Offer to Purchase relates to seven separate Offers, one for each series of notes (each series, a “Series of Notes,” and such notes, collectively, the “Notes”). Apache’s obligation to accept for purchase, and to pay for, Notes that are validly tendered and not validly withdrawn pursuant to each Offer is conditioned on the satisfaction or waiver by Apache of a number of conditions, including the receipt by Apache of the net proceeds from the issuance of not less than $1,000,000,000 in principal amount of indebtedness in one or more debt financing transactions on terms reasonably satisfactory to Apache (the “Financing Condition”). No Offer is conditioned on any minimum amount of Notes being tendered or the consummation of any other Offer.

Notes	CUSIP Numbers	Principal Amount Outstanding	Maximum Tender SubCap (principal amount)	Acceptance Priority Level	Ten
3.625% notes due 2021	037411 AX3	$ 292,587,000	N/A	1	$
2.625% notes due 2023	037411 BD6	$ 180,763,000	N/A	2	$
3.250% notes due 2022	037411 AZ8	$ 460,057,000	$ 220,000,000	3	$
4.250% notes due 2044	037411 BC8	$ 706,417,000	N/A	4	$
4.750% notes due 2043	037411 BA2	$ 1,306,622,000		5	$
5.100% notes due 2040	037411 AW5	$ 1,396,531,000	$ 50,000,000	6	$
5.250% notes due 2042	037411 AY1	$ 421,692,000		7	$

(1) Per $1,000 principal amount of Notes validly tendered and not validly withdrawn and accepted for purchase.

(2) Excludes accrued interest, which will be paid on Notes accepted for purchase as described herein.

(3) Includes the Early Tender Premium (as defined in the Offer to Purchase) for Notes validly tendered at or prior to the Early Tender Deadline (and not validly withdrawn) and accepted for purchase.

Each Offer will expire at 11:59 p.m., New York City time, on August 28, 2020, unless extended or earlier terminated (such time and date, as the same may be extended with respect to one or more Offers, the “Expiration Date”). Holders (as defined in the Offer to Purchase) of Notes must validly tender and not validly withdraw their Notes at or prior to 5:00 p.m., New York City time, on August 14, 2020 (such time and date, as the same may be extended with respect to one or more Offers, the “Early Tender Deadline”) in order to be eligible to receive the applicable Total Consideration, which includes the Early Tender Premium for the Notes of $50 per $1,000 principal amount of Notes tendered. Holders who validly tender their Notes after the Early Tender Deadline and at or prior to the Expiration Date will be eligible to receive only the applicable Tender Consideration, as set forth in the table above. In each case, such Holders will also be entitled to receive accrued and unpaid interest, if any, from the last interest payment date for the applicable Series of Notes up to, but not including, the applicable Settlement Date, if and when the applicable Notes are accepted for purchase. The Offers are open to all Holders of the Notes.

Tendered Notes may be withdrawn at or prior to 5:00 p.m., New York City time, on August 14, 2020, by following the procedures described in the Offer to Purchase, but may not thereafter be validly withdrawn, except as provided for in the Offer to Purchase or required by applicable law.

The maximum aggregate principal amount of Notes accepted for purchase in each Offer will be subject to the applicable aggregate principal amount of each Series indicated in the table above (with respect to each Offer, and subject to increase or elimination by Apache, the “Maximum Tender SubCap” and collectively, the “Maximum Tender SubCaps”). In addition, Apache will only accept for purchase (I) an aggregate principal amount of $220,000,000 (the “First Maximum Tender SubCap”) of 3.250% notes due 2022 (the “First Maximum Tender SubCap Notes”) and (II) a combined aggregate principal amount of $50,000,000 (the “Second Maximum Tender SubCap”) of (i) 4.750% notes due 2043 (the “2043 Notes”), (ii) 5.100% notes due 2040 (the “2040 Notes”), and (iii) 5.250% notes due 2042 (the “2042 Notes” and, together with the 2043 Notes and the 2040 Notes, the “Second Maximum Tender SubCap Notes”).

All Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline having a higher Acceptance Priority Level will, subject to the Aggregate Maximum Purchase Price and the Maximum Tender SubCaps, be accepted before any Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline having a lower Acceptance Priority Level are accepted pursuant to the Offers, and all Notes validly tendered and not validly withdrawn after the Early Tender Deadline and at or prior to the Expiration Date having a higher Acceptance Priority Level will, subject to the Aggregate Maximum Purchase Price and the Maximum Tender SubCaps, be accepted before any Notes validly tendered and not validly withdrawn after the Early Tender Deadline and at or prior to the Expiration Date having a lower Acceptance Priority Level are accepted pursuant to the Offers. However, Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline will, subject to the Aggregate Maximum Purchase Price and the Maximum Tender SubCaps, be accepted for purchase in priority to other Notes validly tendered and not validly withdrawn after the Early Tender Deadline and at or prior to the Expiration Date, even if such Notes validly tendered and not validly withdrawn after the Early Tender Deadline and at or prior to the Expiration Date have a higher Acceptance Priority Level than the Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline. Subject to the Maximum Tender SubCaps, if the aggregate principal amount of Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline equals or exceeds the Aggregate Maximum Purchase Price, Holders of the Notes who validly tender and do not validly withdraw Notes after the Early Tender Deadline and at or prior to the Expiration Date will not have any such Notes accepted for payment regardless of the Acceptance Priority Level of such Notes, unless Apache increases the Aggregate Maximum Purchase Price. If the aggregate principal amount of any Series of Notes validly tendered and not validly withdrawn at or prior to the Early Tender Deadline equals or exceeds the applicable Maximum Tender SubCap, if any, Apache will not accept for purchase any Notes of such Series that are tendered following the Early Tender Deadline, unless Apache increases such applicable Maximum Tender SubCap. There can be no assurance that any or all tendered Notes of a given Acceptance Priority Level will be accepted for purchase.

If purchasing all the validly tendered and not validly withdrawn Notes of a given Acceptance Priority Level on the applicable Settlement Date would cause the Aggregate Maximum Purchase Price or the applicable Maximum Tender SubCap to be exceeded on such Settlement Date, Apache will accept such Notes on a pro rata basis, to the extent any Notes of such Acceptance Priority Level are accepted for purchase, so as to not exceed the Aggregate Maximum Purchase Price or the Maximum Tender SubCap, as applicable (with adjustments to avoid the purchase of Notes in a principal amount other than in the applicable minimum denomination requirements contained in the indentures governing the Notes and integral multiples of $1,000 in excess thereof). As such, there can be no assurance that any or all tendered Notes of a given Acceptance Priority Level will be accepted for purchase, even if validly tendered and not validly withdrawn prior to the

Early Tender Deadline.

Apache reserves the right, but is under no obligation, to increase or eliminate the Aggregate Maximum Purchase Price or any Maximum Tender SubCap at any time without extending the applicable Withdrawal Deadline (as defined in the Offer to Purchase), subject to applicable law. As such, there can be no assurance that any or all tendered Notes of a given Acceptance Priority Level will be accepted for purchase, even if validly tendered and not validly withdrawn prior to the Early Tender Deadline.

Apache reserves the right, but is under no obligation, at any time after the Early Tender Deadline and before the Expiration Date, to accept Notes that have been validly tendered and not validly withdrawn for purchase on a date determined at Apache’s option (such date, if any, the “Early Settlement Date”). Apache currently expects the Early Settlement Date, if any, to occur on August 18, 2020. If Apache chooses to exercise its option to have an Early Settlement Date, Apache will purchase any remaining Notes that have been validly tendered and not validly withdrawn after the Early Tender Deadline and at or prior to the Expiration Date, subject to the Aggregate Maximum Purchase Price, the Maximum Tender SubCaps, the application of the Acceptance Priority Levels, and all conditions to the Offers having been satisfied or waived by Apache, on the final settlement date (the “Final Settlement Date,” and each of the Early Settlement Date and the Final Settlement Date, a “Settlement Date”). The Final Settlement Date, if any, is expected to be September 1, 2020, unless extended by Apache. If Apache chooses not to exercise its option to have an Early Settlement Date, it will purchase all Notes that have been validly tendered and not validly withdrawn at or prior to the Expiration Date, subject to the Aggregate Maximum Purchase Price, the Maximum Tender SubCaps, the application of the Acceptance Priority Levels, and all conditions to the Offers having been satisfied or waived by Apache, on the Final Settlement Date. No tenders of Notes submitted after the Expiration Date will be valid.

J.P. Morgan, BofA Securities and BMO Capital Markets are acting as Dealer Managers and D.F. King & Co., Inc. is acting as the Tender Agent and Information Agent for the Offers. Requests for documents may be directed to D.F. King & Co., Inc. at (800) 549-6697 or apache@dfking.com. Questions regarding the Offers may be directed to J.P. Morgan collect at (212) 834-3424 or toll-free at (866) 834-4666, BofA Securities at (980) 388-3646 or debt_advisory@bofa.com, or BMO Capital Markets collect at (212) 702-1840, toll-free at (833) 418-0762 or at LiabilityManagement@bmo.com.

This announcement is for informational purposes only and is not an offer to purchase or sell or a solicitation of an offer to purchase or sell, with respect to any securities, including in connection with the Financing Condition. The Offers to purchase the Notes are only being made pursuant to the terms of the Offer to Purchase. The Offers are not being made in any state or jurisdiction in which such Offers would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. None of Apache, the Dealer Managers, or the Tender Agent and Information Agent is making any recommendation as to whether or not Holders should tender their Notes in connection with the Offers.

About Apache

Apache Corp. is an oil and gas exploration and production company with operations in the United States, Egypt and the United Kingdom and exploration activities offshore Suriname. Apache posts announcements, operational updates, investor information and press releases on its website, www.apachecorp.com.

Cautionary Statements and Risk Factors That May Affect Future Results

Certain information contained in this release is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking statements are not guarantees of performance. Actual events or results may differ materially because of conditions in our markets or other factors. Moreover, Apache does not, nor does any other person, assume responsibility for the accuracy and completeness of those statements. Unless otherwise required by applicable securities laws, Apache disclaims any intention or obligation to update any of the forward-looking statements after the date of this release. If Apache does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements. All of the forward-looking statements are qualified in their entirety by reference to the factors discussed under “Risk Factors” in the Offer to Purchase and under “Forward-Looking Statements and Risk” and “Risk Factors” in Apache’s Annual Report on Form 10-K for the year ended December 31, 2019 and Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2020 and June 30, 2020 (each of which is incorporated by reference in the Offer to Purchase) and similar sections in any subsequent filings, which describe risks and factors that could cause results to differ materially from those projected in those forward-looking statements.

Those risk factors may not be exhaustive. Apache operates in a continually changing business environment, and new risk factors emerge from time to time. Apache cannot predict these new risk factors or assess the impact, if any, of these new risk factors on Apache’s businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results.

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