



## HighPoint Resources Provides Update on Development Program

March 19, 2020

DENVER, March 19, 2020 (GLOBE NEWSWIRE) -- HighPoint Resources Corporation (“we”, “us”, or the “Company”) (NYSE: HPR) announced today an update to its 2020 development program, liquidity and hedges. Today’s update takes into account the recent significant decrease in crude oil prices, and includes the following:

- All drilling and completion activity that is currently in progress will be completed, and all new planned activity will be deferred; this will not impact first half of 2020 production volumes
- Maintain flexibility to adjust capital program further based on market conditions
- Strong hedge position protects 2020 cash flow and has a current mark-to-market value of approximately \$225 million
- Still anticipate generating positive free cash flow in 2020
- Anticipate reducing bank debt by approximately \$45 million during the first quarter of 2020 and have no significant debt maturity before October 2022

Chief Executive Officer and President Scot Woodall commented, “Given the rapidly changing dynamics of crude oil prices our top priority is to preserve our balance sheet and liquidity in this lower crude price environment. As such, we have prudently decided to defer any new drilling and completion activity as we continue to monitor the present market environment. Although our hedge portfolio protects the returns of our 2020 investment program, we have elected to slow down activity and preserve liquidity. While this impacts near-term development activity, it is not expected to adversely affect anticipated production volumes for the first half of the year and will maintain our opportunity set for future development. Moreover, we are well positioned financially with a strong hedge portfolio covering over 90% of anticipated 2020 oil volumes at a WTI price of approximately \$58.00 per barrel with an estimated mark-to-market value of approximately \$225 million based on current WTI strip prices.”

The Company’s current liquidity position is approximately \$370 million. This is an increase of approximately \$35 million from December 31, 2019, as the Company has reduced borrowings on its credit facility to approximately \$115 million with a further reduction of approximately \$20 million anticipated by the end of the first quarter of 2020.

The Company plans to provide more comprehensive details and updated 2020 guidance as part of its first quarter earnings conference call in May and, as such, the 2020 guidance issued on February 26<sup>th</sup> should no longer be relied upon.

### ABOUT HIGHPOINT RESOURCES CORPORATION

HighPoint Resources Corporation (NYSE: HPR) is a Denver, Colorado based company focused on the development of oil and natural gas assets located in the Denver-Julesburg Basin of Colorado. Additional information about the Company may be found on its website [www.hpres.com](http://www.hpres.com).

### Forward-Looking Statements

All statements in this press release, other than statements of historical fact, are 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. Words such as expects, forecast, guidance, anticipates, intends, plans, believes, seeks, estimates and similar expressions or variations of such words are intended to identify forward-looking statements herein; however, these are not the exclusive means of identifying forward-looking statements. Forward-looking statements include, among other things, statements regarding future development activities, production, returns, free cash flow, debt levels and future opportunities.

These and other forward-looking statements in this press release are based on management’s judgment as of the date of this release and are subject to numerous risks and uncertainties. Actual results may vary significantly from those indicated in the forward-looking statements. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2019 filed with the SEC, and other filings, including our Current Reports on Form 8-K and Quarterly Reports on Form 10-Q, all of which are incorporated by reference herein, for further discussion of risk factors that may affect the forward-looking statements. The Company encourages you to consider the risks and uncertainties associated with projections and other forward-looking statements and to not place undue reliance on any such statements. In addition, the Company assumes no obligation to publicly revise or update any forward-looking statements based on future events or circumstances.

We define free cash flow, a non-U.S. GAAP financial measure, as net cash from operating activities, excluding changes in working capital, less oil and gas capital investments. We are unable to present a reconciliation of forward-looking free cash flow because components of the calculation, including fluctuations in working capital accounts, are inherently unpredictable. Moreover, estimating the most directly comparable GAAP measure with the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort. We believe that forward-looking estimates of free cash flow are important to investors because they assist in the analysis of our ability to generate cash from our operations in excess of capital investments in crude oil and natural gas properties.

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Source: HighPoint Resources Corporation