



sabine oil & gas

## Purchaser FAQ

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### 1. Why did Sabine file Chapter 11?

- We have taken this action to establish a sustainable capital structure and position Sabine for success. Like many other exploration and production companies, Sabine's financial position has been significantly impacted by the recent and dramatic decline in oil prices, the continued low prices of natural gas, and general uncertainty in the energy market.
- The Court-supervised restructuring process is designed to protect the value of the Company while we address our balance sheet and put Sabine on stronger financial footing for the future.

### 2. How will the restructuring process affect day-to-day operations?

- Importantly, we will continue normal business operations during this process
- We believe we have sufficient liquidity to support the business during this process.
- We intend to continue working closely with our suppliers and paying for goods and services under normal terms on or after the date of the filing.
- We are committed to the partnership we have developed with you and your organization.
- We have taken this action to strengthen our Company's capital structure and address our balance sheet, allowing us to operate more efficiently in the future, and ultimately, make us a stronger business partner going forward.

### 3. How will Sabine be financed during Chapter 11?

- We believe we have sufficient liquidity to support the business during this process.
- As of the filing date, the Company had a cash balance of approximately \$253 million, which provides substantial liquidity to fund its current operations.

### 4. Will the existing leadership and Board of Directors remain in place?

- Yes, the current management team and Board of Directors will remain in place and continue to be committed to the business.

### 5. How will our suppliers be affected?

- We will continue normal business operations during this process and Sabine intends to pay suppliers in ordinary course for goods and services provided on or after the filing date.
- We believe we have sufficient liquidity to support the business during this process.

**6. Why should I continue to do business with you?**

- We are committed to the partnership we have developed with you and your organization.
- We have taken this action to strengthen our Company's capital structure and address our balance sheet, allowing us to operate more efficiently in the future, and ultimately, making us a stronger business partner going forward.
- Importantly, we will continue normal business operations during this process. We value the partnership we have developed with your company, appreciate your support and look forward to continuing to work together for many years to come.

**7. When will Sabine complete the restructuring process? What will happen to Sabine following the restructuring process?**

- We intend to move through the restructuring process as quickly as possible.
- Sabine continues to engage in constructive discussions with its stakeholders regarding the terms of a consensual financial restructuring plan and is focused on achieving a resolution as expeditiously as possible.
- We expect to emerge with increased financial flexibility and a sustainable capital structure that will enable us to grow our business in the future.

**8. How can I obtain more information?**

- If you have further questions about the restructuring, please do not hesitate to reach out to your usual contact at Sabine. Additional information is also available on our corporate website and at a website maintained by the Company's claims agent at <https://cases.primeclerk.com/sabine>.