

## **Delfin Midstream and Devon Energy Enter into LNG Export Partnership**

*Parties agree to strategic Pre-FID Investment by Devon in Delfin and Heads of Agreement representing at least 1.0, and up to 2.0, million tonnes per annum of liquefaction capacity*

**Houston, September 5, 2022** – Delfin Midstream Inc (“Delfin”) and Devon Energy Corporation (NYSE: DVN) (together with certain of its operating subsidiaries, collectively, “Devon”) today announced that they have entered into a liquefied natural gas (LNG) export partnership that includes an executed Heads of Agreement (“HOA”) for long-term liquefaction capacity and a pre-Financial Investment Decision (FID) strategic investment by Devon in Delfin.

The HOA provides the framework for finalizing a definitive long-term tolling agreement representing 1.0 million tons per annum (MTPA) of liquefaction capacity in Delfin’s first Floating LNG vessel, with the ability to add an additional 1.0 MTPA in Delfin’s first or a future Floating LNG vessel. In addition to providing Devon up to 2.0 MTPA of total liquefaction capacity on a long-term basis, the HOA also provides opportunity for additional future equity investments in Delfin by Devon. Devon’s 2022 guidance will remain unchanged.

“We are delighted to execute this agreement with Devon, representing a truly strategic partnership between a U.S. producer and a liquefaction provider,” said Dudley Poston, Delfin CEO. “We believe our unique liquefaction solution provides significant structural flexibility that allows producers to maximize the value of their natural gas, while providing a much-needed source of additional supply to the world LNG marketplace.”

“Our decision to invest in Delfin was the result of a thorough process intended to create additional pricing diversification for our natural gas portfolio and deliver a sustainable and capital efficient return for our shareholders,” said Rick Muncrief, Devon’s President and CEO. “Devon has a strong track record of finding best-in-class midstream and downstream solutions for our production and we are excited to partner with Delfin to meet the need for safe, clean and reliable energy.”

Following its recent announcement of a binding SPA with Vitol and a HOA with Centrica, this announcement represents Delfin’s third major agreement in the past two months. Delfin is also in numerous advanced discussions on additional binding SPAs, HOAs and tolling agreements similar to those previously announced.

As a modular project requiring only 2.0 to 2.5 MTPA of long-term contracts to begin construction, and with all necessary permits in hand, Delfin is on schedule to make FID on its first Floating LNG vessel by the end of this year.

Latham & Watkins LLP is serving as legal advisor to Delfin. Kirkland & Ellis LLP is serving as legal advisor to Devon.

### **About Delfin**

Delfin is a leading LNG export infrastructure development company utilizing low-cost Floating LNG technology solutions. Delfin is the parent company of Delfin LNG LLC (“Delfin LNG”) and Avocet LNG LLC. Delfin LNG is a brownfield Deepwater Port requiring minimal additional infrastructure investment to support up to four FLNG Vessels producing up to 13 million tonnes of LNG per annum. Delfin purchased the UTOS pipeline, the largest natural gas pipeline in the Gulf of Mexico. Delfin LNG received a positive Record of Decision from MARAD and approval from the Department of Energy for

long-term exports of LNG to countries that do not have a Free Trade Agreement with the United States. Further information is available at [www.delfinmidstream.com](http://www.delfinmidstream.com).

### **About Devon Energy Corporation**

Devon Energy is a leading oil and gas producer in the U.S. with a premier multi-basin portfolio headlined by a world-class acreage position in the Delaware Basin. Devon's disciplined cash-return business model is designed to achieve strong returns, generate free cash flow and return capital to shareholders, while focusing on safe and sustainable operations. For more information, please visit [www.devonenergy.com](http://www.devonenergy.com).

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### **FORWARD LOOKING STATEMENTS**

This press release contains forward-looking statements within the meaning of the federal securities laws. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Devon and Delfin. These risks include, but are not limited to: the risk Delfin does not make FID on its First Floating LNG Vessel by the end of the year or at all; the risk the parties are not able to finalize definitive documentation based on the terms of the HOA or otherwise; the extent to which Devon realizes improved or diversified pricing exposure or any of the other anticipated benefits from the arrangement; and the other risks identified in Devon's 2021 Annual Report on Form 10-K and its other filings with the Securities and Exchange Commission. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. The forward-looking statements in this press release are made as of the date hereof, and Devon and Delfin do not undertake any obligation to update the forward-looking statements as a result of new information, future events or otherwise.