



Diamondback Energy, Inc. Recommends that Stockholders Reject Below-Market “Mini-Tender” Offer by TRC Capital Investment Corporation

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MIDLAND, Texas, July 15, 2020 (GLOBE NEWSWIRE) -- Diamondback Energy, Inc. (NASDAQ: FANG) (“Diamondback”) announced today that it received notice, dated July 13, 2020, of an unsolicited “mini-tender” offer made by TRC Capital Investment Corporation, a private Canadian investment company (“TRC Capital”), to purchase up to 2,500,000 shares of Diamondback common stock at a price of \$37.00 per share in cash (the “TRC Capital Offer”). The TRS Capital Offer is approximately 4.96% below the closing price per share of Diamondback common stock of \$38.93 on July 10, 2020, the last trading day before the TRC Capital Offer was commenced, and approximately 5.80% below the closing price per share of Diamondback common stock of \$39.28 on July 14, 2020, the last trading day before the date of this press release. The TRS Capital Offer is for approximately for 1.58% of the outstanding shares of Diamondback common stock.

Diamondback is not affiliated or associated in any way with TRC Capital, the TRC Capital Offer or the offer documentation related to the TRC Capital Offer.

Diamondback recommends that stockholders reject this unsolicited offer and not tender their shares of Diamondback common stock in response to the TRC Capital Offer for the reasons described below.

The price per share contemplated by the TRC Capital Offer is below the current market value for shares of Diamondback common stock. In addition, TRC Capital Offer is subject to numerous conditions, including, among others, TRC Capital’s ability to obtain financing, there being no decrease in the market price of Diamondback common stock or any decline in either the Dow Jones Industrial Average or the Standard and Poor’s Composite Index of 500 Industrial Companies or the specified Nasdaq and certain other market indices in excess of 10% since July 10, 2020 and no material acceleration or worsening of the COVID-19 pandemic since July 10, 2020.

TRC Capital has made many similar “mini-tender” offers for the shares of other companies. “Mini-tender” offers are designed to seek less than 5% percent of a company’s outstanding shares, thereby avoiding many disclosure and procedural requirements of the U.S. Securities and Exchange Commission (“SEC”) because they are below the SEC’s threshold to provide such disclosure and procedural protections for investors. The SEC has cautioned investors about “mini-tender” offers in an investor publication, which is available on the SEC’s website <https://www.sec.gov/reportspubs/investor-publications/investorpubsminitendhtml>.

Diamondback’s stockholders should obtain current market quotations for their shares of Diamondback common stock, consult with their broker or financial advisor and exercise caution with respect to the TRC Capital Offer. Diamondback recommends that Diamondback’s stockholders who have not yet responded to the TRC Capital Offer take no action with respect to the TRC Capital Offer. Diamondback’s stockholders who have already tendered their shares of Diamondback common stock may withdraw them at any time prior to 12:01 a.m., New York City time, on August 11, 2020, according to TRC Capital’s offering documents relating to the TRC Capital Offer. TRC Capital’s offering documents also state that TRC Capital may extend the offering period for the TRC Capital Offer at its discretion.

Diamondback encourages brokers and dealers, as well as other market participants, to review the SEC’s letter regarding broker-dealer “mini-tender” offer dissemination and disclosure at <http://www.sec.gov/divisions/marketreg/minitenders/sia072401.htm>.

Diamondback requests that a copy of this press release be included with all distributions of materials relating to the TRC Capital Offer for Diamondbacks common stock.

About Diamondback Energy, Inc.

Diamondback is an independent oil and natural gas company headquartered in Midland, Texas focused on the acquisition, development, exploration and exploitation of unconventional, onshore oil and natural gas reserves in the Permian Basin in West Texas. For more information, please visit www.diamondbackenergy.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. All statements, other than historical facts, that address activities that Diamondback assumes, plans, expects, believes, intends or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements are based on management’s current beliefs, based on currently available information, as to the outcome and timing of future events. These forward-looking statements involve certain risks and uncertainties that could cause the results to differ materially from those expected by the management of Diamondback. Information concerning these risks and other factors can be found in Diamondback’s filings with the Securities and Exchange Commission, including its Forms 10-K, 10-Q and 8-K and any amendments thereto, which can be obtained free of charge on the Securities and Exchange Commission’s web site at <http://www.sec.gov>. Diamondback undertakes no obligation to update or revise any forward-looking statement.

Investor Contact: Adam Lawlis
+1 432.221.7467
alawlis@diamondbackenergy.com



Source: Diamondback Energy, Inc.