



Viper Energy, Inc. Announces Closing of Drop Down Transaction

May 1, 2025

MIDLAND, Texas, May 01, 2025 (GLOBE NEWSWIRE) -- Viper Energy, Inc. (NASDAQ: VNOM) ("Viper" or the "Company"), a subsidiary of Diamondback Energy, Inc. (NASDAQ: FANG) ("Diamondback"), today announced that it and its operating subsidiary, Viper Energy Partners LLC (the "Operating Company"), have closed their previously announced acquisition of all of the equity interests in certain mineral and royalty interest-owning subsidiaries of Diamondback (the "Drop Down"). The total consideration for the Drop Down consisted of (i) \$1.0 billion in cash and (ii) the issuance (the "Equity Issuance") of 69,626,640 units representing limited liability company interests in the Operating Company and an equivalent number of shares of Viper's Class B Common Stock, in each case, subject to transaction costs and certain customary post-closing adjustments.

The mineral and royalty interests acquired by the Operating Company in the Drop Down represent approximately 22,847 net royalty acres in the Permian Basin, approximately 69% of which are currently operated by Diamondback. Viper funded the cash consideration for the Drop Down with (i) proceeds from its previously announced underwritten public offering of shares of its Class A Common Stock, completed on February 3, 2025, and (ii) borrowings under the Operating Company's revolving credit facility. Immediately following the completion of the Drop Down, Diamondback beneficially owned approximately 53.7% of Viper's outstanding voting common stock.

The Drop Down was approved by Viper's audit committee comprised of all independent directors and the full board of directors, in each case, on January 30, 2025, and by the majority of the Company's stockholders, other than Diamondback and its subsidiaries, at the special meeting of the Company's stockholders held on May 1, 2025 (the "Special Meeting"). At the Special Meeting, Viper's stockholders also approved the Equity Issuance, as required under the rules of The Nasdaq Stock Market LLC.

About Viper Energy, Inc.

Viper is a corporation formed by Diamondback to own, acquire and exploit oil and natural gas properties in North America, with a focus on owning and acquiring mineral and royalty interests in oil-weighted basins, primarily the Permian Basin. For more information, please visit www.viperenergy.com.

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 primarily in the Permian Basin in West Texas. For more information, please visit www.diamondbackenergy.com.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which involve risks, uncertainties, and assumptions. All statements, other than statements of historical fact, including statements regarding Viper's: future performance; business strategy; future operations; estimates and projections of operating income, losses, costs and expenses, returns, cash flow, and financial position; production levels on properties in which Viper has mineral and royalty interests, developmental activity by other operators; reserve estimates and Viper's ability to replace or increase reserves; anticipated benefits or other effects of strategic transactions (including the Drop Down and other acquisitions or divestitures); and plans and objectives (including Diamondback's plans for developing Viper's acreage and Viper's cash dividend policy and common stock repurchase program) are forward-looking statements. When used in this news release, the words "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "guidance," "intend," "may," "model," "outlook," "plan," "positioned," "potential," "predict," "project," "seek," "should," "target," "will," "would," and similar expressions (including the negative of such terms) as they relate to Viper are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Although Viper believes that the expectations and assumptions reflected in its forward-looking statements are reasonable as and when made, they involve risks and uncertainties that are difficult to predict and, in many cases, beyond its control. Accordingly, forward-looking statements are not guarantees of Viper's future performance and the actual outcomes could differ materially from what Viper expressed in its forward-looking statements.

Factors that could cause the outcomes to differ materially include (but are not limited to) the following: changes in supply and demand levels for oil, natural gas, and natural gas liquids, and the resulting impact on the price for those commodities; the impact of public health crises, including epidemic or pandemic diseases, and any related company or government policies or actions; changes in U.S. energy, environmental, monetary and trade policies, including with respect to tariffs or other trade barriers, and any resulting trade tensions; actions taken by the members of OPEC and Russia affecting the production and pricing of oil, as well as other domestic and global political, economic, or diplomatic developments, including any impact of the ongoing war in Ukraine and the Israel-Hamas war on the global energy markets and geopolitical stability; instability in the financial sector; higher interest rates and their impact on the cost of capital; regional supply and demand factors, including delays, curtailment delays or interruptions of production on Viper's mineral and royalty acreage, or governmental orders, rules or regulations that impose production limits on such acreage; federal and state legislative and regulatory initiatives relating to hydraulic fracturing, including the effect of existing and future laws and governmental regulations; physical and transition risks relating to climate change and the risks and other factors disclosed in Viper's filings with the Securities and Exchange Commission, including its Forms 10-K, 10-Q and 8-K, which can be obtained free of charge on the Securities and Exchange Commission's web site at <http://www.sec.gov>.

In light of these factors, the events anticipated by Viper's forward-looking statements may not occur at the time anticipated or at all. Moreover, new risks emerge from time to time. Viper cannot predict all risks, nor can it assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those anticipated by any forward-looking statements it may make. Accordingly, you should not place undue reliance on any forward-looking statements made in this news release. All forward-looking statements speak only as of the date of this news release or, if earlier, as of the date they were made. Viper does not intend to, and disclaims any obligation to, update or revise any forward-looking statements unless required by applicable law.

Investor Contact:
Chip Seale
+1 432.247.6218
cseale@vipereenergy.com



Source: Viper Energy, Inc.