

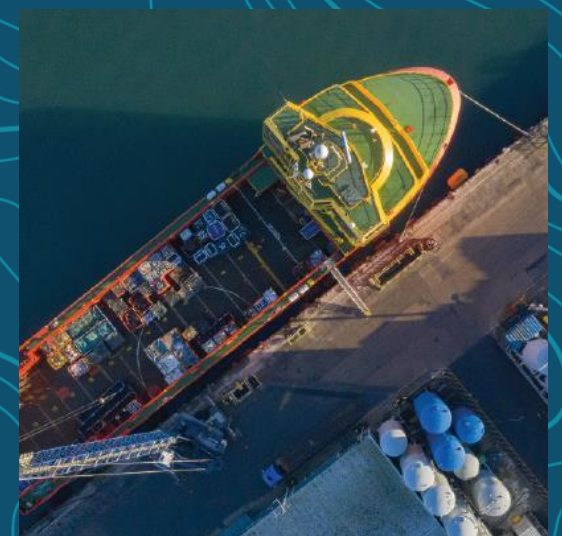
# Annual Shareholder Meeting

**John Christmann**

CEO AND PRESIDENT



May 14, 2020



# Forward Looking Statements

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Certain statements in this presentation contain "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 including, without limitation, expectations, beliefs, plans, and objectives regarding anticipated financial and operating results, asset divestitures, estimated reserves, drilling locations, capital expenditures, price estimates, typical well results and well profiles, type curve, and production and operating expense guidance included in this presentation. Any matters that are not historical facts are forward looking and, accordingly, involve estimates, assumptions, risks, and uncertainties, including, without limitation, risks, uncertainties, and other factors discussed in our most recently filed Annual Report on Form 10-K, recently filed Quarterly Reports on Form 10-Q, recently filed Current Reports on Form 8-K available on our website, [www.apachecorp.com](http://www.apachecorp.com), and in our other public filings and press releases. These forward-looking statements are based on Apache Corporation's (Apache) current expectations, estimates, and projections about the company, its industry, its management's beliefs, and certain assumptions made by management. No assurance can be given that such expectations, estimates, or projections will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results, or other expectations expressed in this presentation, including, Apache's ability to meet its production targets, successfully manage its capital expenditures and to complete, test, and produce the wells and prospects identified in this presentation, to successfully plan, secure necessary government approvals, finance, build, and operate the necessary infrastructure, and to achieve its production and budget expectations on its projects.

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# The World Today

- People around the globe have been deeply affected by **COVID-19** and the **economic downturn**.
- Apache responded swiftly and aggressively
  - Established health and safety protocols across offices and operations
  - Implemented financial measures to strengthen liquidity and protect the balance sheet
  - Curtailed operational activity, lowering costs and preserving asset value in a low price environment





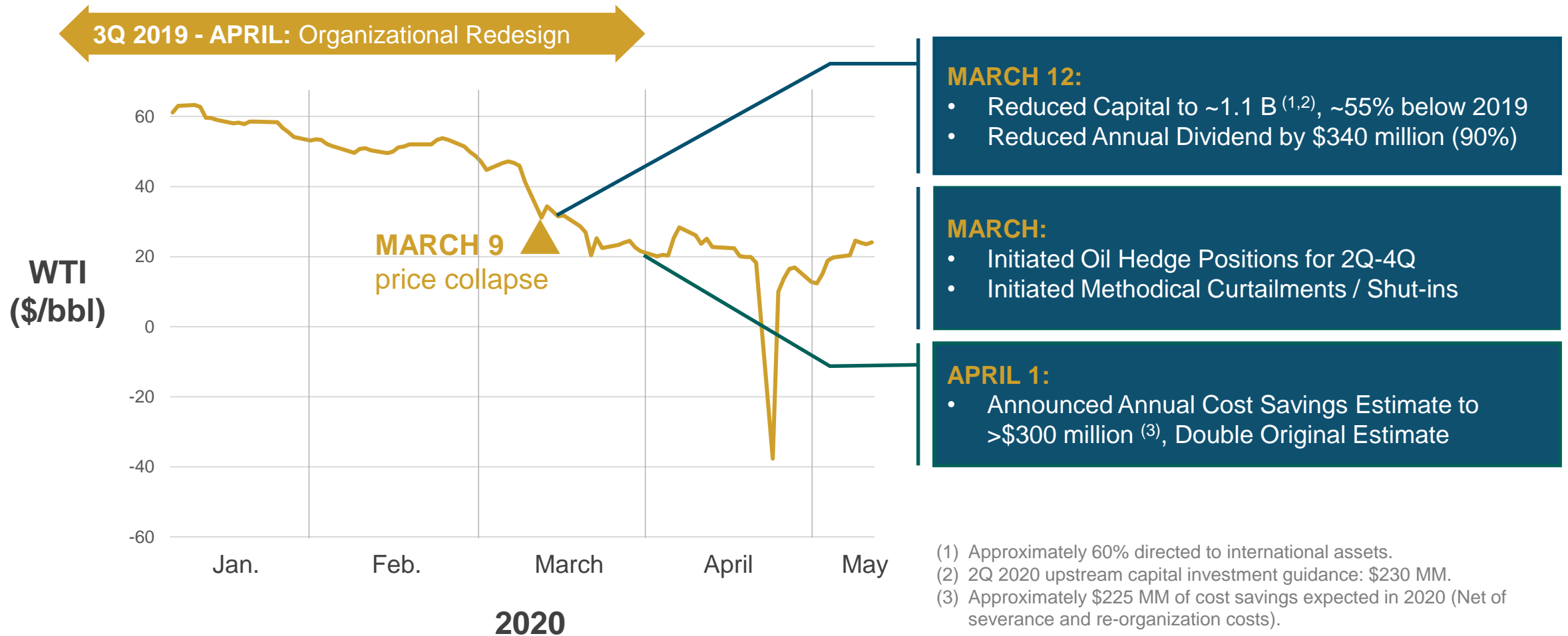
# Apache's Response to COVID-19

## Prioritizing Health & Safety of Our Team and Communities in Which We Operate



- Acted quickly to **close offices** throughout organization
- Implemented **field protocols** and **work-from-home procedures** with minimal business disruption
- Secured **infectious disease response helicopters** in the North Sea and Suriname to ensure safe medical evacuations, if needed
- **Donated PPE & critical medical equipment** to hospitals & first responders
- Developed a thorough, phased **Office Re-Entry Plan**

# Apache's Swift Response to Current Market



# Apache's Strategy to Managing Volatility



- Managing towards Cash Flow Neutrality<sup>(1)</sup>
- Preserving liquidity and protecting balance sheet
- Prioritizing returns and longer-cycle investments over production growth



- Manageable bond maturities over next 5 years (less than \$1 B)
- \$4 B committed credit facility extending through March 2024<sup>(2,3)</sup>
- Ample coverage across a wide range of scenarios



- Intl. assets generating more resilient cash flows at lower prices
- Balanced commodity profile and geographic pricing points diversify risk
- Recent discoveries underscore large-scale, long-term potential in Suriname

# Benefiting from a Diverse Portfolio

Apache's diverse portfolio provides enhanced optionality to allocate capital across **geographic areas, onshore/offshore conventional/unconventional, or oil/gas/NGLs**



2019 Adjusted Production



# Managing Apache's Global Portfolio

## United States

- 
- Eliminating all drilling & completion activity
- Managing LOE, with safety remaining a top priority
- Optimizing cash flow through shut-in/curtailment program
- Pursuing trades to block up acreage position in core areas

**Expand Economic Inventory & Maintain Optionality**

## North Sea

- Realizing cost savings in all categories
- Focused on low F&D cost, near-field opportunities in Beryl area
- Forties 4D seismic survey on track for acquisition this summer
- Tertiary exploration program resumes in 4Q with a 2nd carried well

**Flex Activity to Preserve Free Cash Flow Generation**

## Egypt

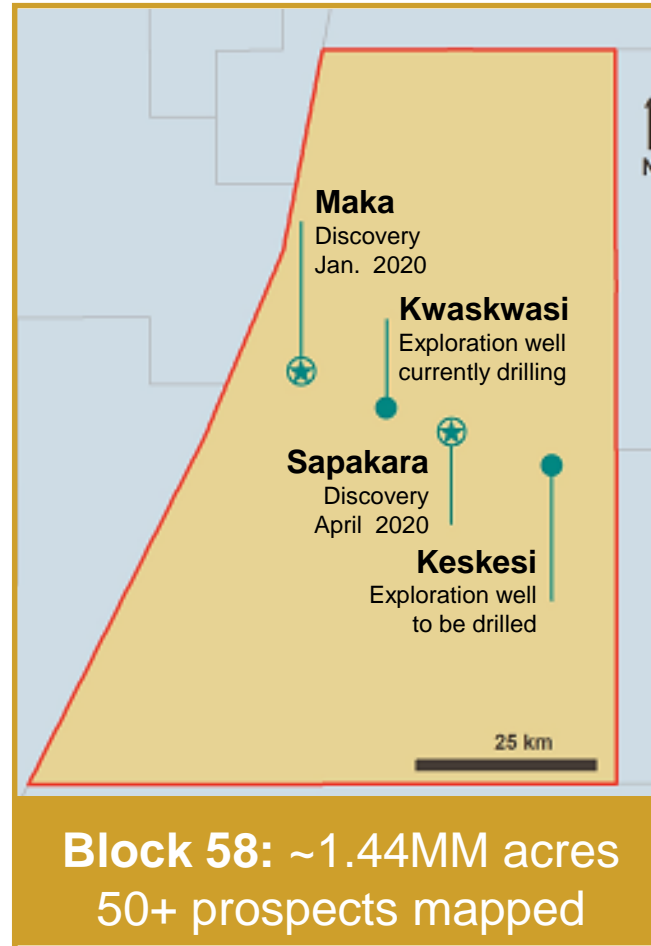
- Drilling operations high-graded, targeting 5-6 rigs in 2H 2020
- Strong exploration program with several high-impact opportunities throughout 2020
- Gas realizations remain attractive at nearly \$3/Mcf and protected under PSC



# Suriname: Offering Significant Long-Term Value

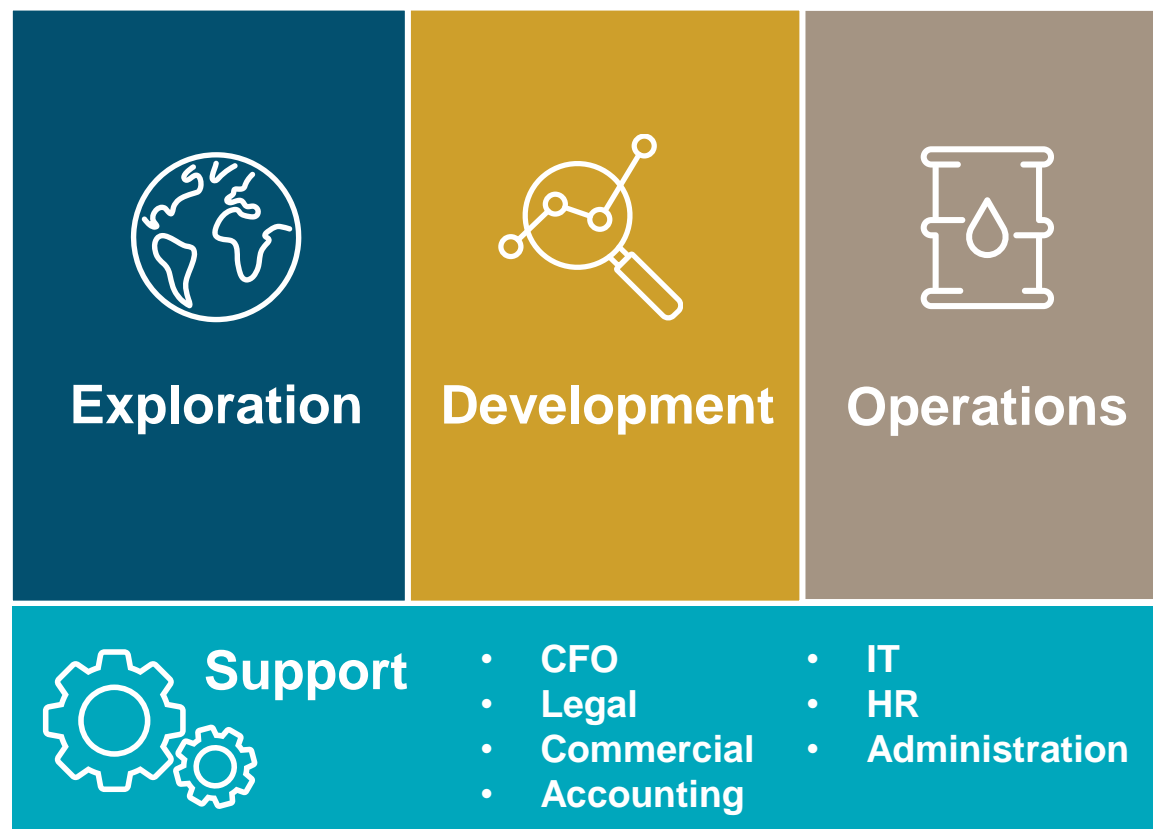


- **Partnership with Total**
- Significant oil discoveries:
  - Maka Central-1, Jan.
  - Sapakara West-1, April
  - Campanian / Santonian
  - Separate systems



- Drilling **Kwaskwasi-1**; then **Keskesi East-1**
  - Test oil-prone upper Cretaceous targets: Campanian and Santonian
  - Independent of Maka and Sapakara discoveries

# Our New, Centralized Organization Structure: Efficient, Nimble



-  Delivers more **dynamic planning** and **improved capital allocation**
-  Improves **collaboration** and **alignment**
-  **Simplifies** the organization
-  Enables **value-adding technology adoption**

Expected to deliver an annualized cost reduction in excess of \$300 million

# ESG Highlights

We aim to be a **community partner** in our areas of operation, focused on **protecting the safety and health of our employees, local populations** and the **environment**.



**On track** to meet our goal of reducing global methane emissions intensity to 0.37% or less of gross methane production by 2025



**4.7 million+** trees planted as a part of the Apache Tree Grant Program since 2005



**27%** decrease in Total Recordable Incident Rate for employees and contractors since 2014



**10,000+** girls educated in Apache-supported schools in Egypt since 2004

New for 2020



**Linked 2020 ESG performance** directly to short-term incentive compensation

# Long-Term Objectives

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Budget conservatively, aggressively manage cost structure to ensure free cash flow generation and prioritize debt reduction to strengthen the balance sheet.

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Maintain a balanced and diversified portfolio and continue to invest for long-term returns rather than production growth.

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Permian: continue building economic inventory and maintain optionality; in Egypt and the North Sea: flex activity to preserve free cash flow generation.

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Continue to enhance our portfolio through exploration; Suriname Block 58 remains a clear priority.

# Thank You



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# Appendix

# Glossary of Referenced Terms

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- **Upstream Capital Investment:** Includes exploration, development, gathering, processing, and transmission capital, capitalized overhead, and settled asset retirement obligations, and excludes capitalized interest, non-cash asset retirement additions and revisions, and Egypt noncontrolling interest, in each case associated with Apache's upstream business.
- **Free Cash Flow:** Excess cash flow from operations before working capital changes after upstream capital investment, distributions to noncontrolling interest and dividend payments. The impacts of ALTM are excluded from this definition, as development of the ALTM midstream assets is separately funded by ALTM.
- **Cash Flow Neutrality:** Free Cash Flow equal to zero.

In addition to the terms above, a list of commonly used definitions and abbreviations can be found in Apache's Form 10-K for the year ended December 31, 2019.