
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **February 14, 2019**

ANTERO MIDSTREAM GP LP
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38075
(Commission File Number)

61-1748605
(IRS Employer
Identification Number)

1615 Wynkoop Street
Denver, Colorado 80202
(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, including area code: **(303) 357-7310**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On February 14, 2019, Antero Midstream Partners LP (“Antero Midstream”) and Antero Midstream GP LP (“AMGP”) updated their monthly investor presentation. The updated investor presentation may be viewed on AMGP’s website at www.anteromidstreamgp.com, and a copy of the investor presentation is included as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated into this Item 7.01 by reference.

Also on February 14, 2019, AMGP held a conference call with analysts and investors to discuss fourth quarter and full year 2018 results. On the call, certain matters relating to the previously announced business combination transaction between Antero Midstream and AMGP were discussed. A transcript of the conference call is included as Exhibit 99.2 to this Current Report on Form 8-K, and the full text of such transcript is incorporated herein by reference. A copy of the presentation given during the conference call is included as Exhibit 99.3 to this Current Report on Form 8-K and is incorporated into this Item 7.01 by reference.

The information furnished in this Item 7.01 (including the exhibits) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events.

To the extent required by law, the information in Item 7.01 of this Form 8-K is incorporated into this Item 8.01.

NO OFFER OR SOLICITATION

The exhibits attached hereto include a discussion of the previously announced transaction between Antero Midstream and AMGP and certain of their affiliates (the “Transaction”). This communication is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the Transaction or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of Securities Act of 1933, as amended.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the Transaction, AMGP has filed with the U.S. Securities and Exchange Commission (the “SEC”) a registration statement on Form S-4, that includes a joint proxy statement of Antero Midstream and AMGP and a prospectus of AMGP. The transaction will be submitted to Antero Midstream’s unitholders and AMGP’s shareholders for their consideration. Antero Midstream and AMGP may also file other documents with the SEC regarding the transaction. The registration statement on Form S-4 became effective on January 30, 2019, and the definitive joint proxy statement/prospectus is being delivered to Antero Midstream unitholders and AMGP shareholders of record as of January 11, 2019. This document is not a substitute for the registration statement and joint proxy statement/prospectus that has been filed with the SEC or any other documents that AMGP or Antero Midstream may file with the SEC or send to shareholders of AMGP or unitholders of Antero Midstream in connection with the transaction. **INVESTORS AND SECURITY HOLDERS OF ANTERO MIDSTREAM AND AMGP ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION AND ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION AND RELATED MATTERS.**

Investors and security holders are able to obtain free copies of the registration statement and the joint proxy statement/prospectus and all other documents filed or that will be filed with the SEC by AMGP or Antero Midstream through the website maintained by the SEC at <http://www.sec.gov>. Copies of documents filed with the SEC by Antero Midstream will be made available free of charge on Antero Midstream’s website at <http://investors.anteromidstream.com/investor-relations/AM>, under the heading “SEC Filings,” or by directing a

request to Investor Relations, Antero Midstream GP LP, 1615 Wynkoop Street, Denver, Colorado 80202, Tel. No. (303) 357-7310. Copies of documents filed with the SEC by AMGP will be made available free of charge on AMGP's website at <http://investors.anteromidstreamgp.com/Investor-Relations/AMGP> or by directing a request to Investor Relations, Antero Midstream GP LP, 1615 Wynkoop Street, Denver, Colorado 80202, Tel. No. (303) 357-7310.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Antero Midstream Partners LP and Antero Midstream GP LP February 2019 Investor Presentation.
99.2	Transcript of Antero Midstream GP LP conference call held on February 14, 2019.
99.3	Antero Midstream Partners LP and Antero Midstream GP LP Earnings Presentation dated February 14, 2018.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ANTERO MIDSTREAM GP LP

By: AMGP GP LLC,
its general partner

By: /s/ Glen C. Warren, Jr.
Glen C. Warren, Jr.
President and Secretary

Dated: February 14, 2019



Antero
Midstream Partners LP



Antero
Midstream GP



Partnership Overview

February 2019





No Offer or Solicitation

This presentation includes a discussion of a proposed simplification transaction (the "Transaction") between Antero Midstream Partners LP ("AM" or the "Partnership") and Antero Midstream GP LP ("AMGP"). This presentation is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the transaction or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Additional Information And Where To Find It

In connection with the transaction, AMGP has filed with the U.S. Securities and Exchange Commission (the "SEC") a registration statement on Form S-4, that includes a joint proxy statement of AM and AMGP and a prospectus of AMGP. The transaction will be submitted to AM's unitholders and AMGP's shareholders for their consideration. AM and AMGP may also file other documents with the SEC regarding the transaction. The registration statement on Form S-4 became effective on January 30, 2019, and the definitive joint proxy statement/prospectus will be delivered to Antero Midstream unitholders and AMGP shareholders of record as of January 11, 2019. This document is not a substitute for the registration statement and joint proxy statement/prospectus that has been filed with the SEC or any other documents that AMGP or Antero Midstream may file with the SEC or send to shareholders of AMGP or unitholders of Antero Midstream in connection with the transaction. INVESTORS AND SECURITY HOLDERS OF ANTERO MIDSTREAM AND AMGP ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION AND ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION AND RELATED MATTERS.

Investors and security holders are able to obtain free copies of the registration statement and the joint proxy statement/prospectus and all other documents filed or that will be filed with the SEC by AMGP or AM through the website maintained by the SEC at <http://www.sec.gov>. Copies of documents filed with the SEC by AM will be made available free of charge on AM's website at <http://investors.anteromidstream.com/investor-relations/AM>, under the heading "SEC Filings," or by directing a request to Investor Relations, Antero Midstream Partners LP, 1615 Wynkoop Street, Denver, Colorado 80202, Tel. No. (303) 357-7310. Copies of documents filed with the SEC by AMGP will be made available free of charge on AMGP's website at <http://investors.anteromidstreamgp.com/Investor-Relations/AMGP> or by directing a request to Investor Relations, Antero Midstream GP LP, 1615 Wynkoop Street, Denver, Colorado 80202, Tel. No. (303) 357-7310.



Forward-Looking Statements:

This presentation includes "forward-looking statements" within the meaning of federal securities laws. Such forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond AM and AMGP's control. All statements, other than historical facts included in this presentation, are forward-looking statements. All forward-looking statements speak only as of the date of this presentation and are based upon a number of assumptions. Without limiting the generality of the foregoing, forward-looking statements contained in this presentation specifically include the expected consideration to be received in connection with the closing of the transaction, the timing of consummation of the transaction, if at all, the extent of the accretion, if any, to AMGP shareholders and AM unitholders, pro forma AM dividend and Distributable Cash Flow ("DCF") coverage targets, estimated pro forma AM dividend compound annual growth rates ("CAGR") and leverage metrics, the effect that the elimination of the IDRs and Series B Units will have on Antero Midstream's cost of capital, New AM's growth opportunities following the consummation of the transaction, including with respect to its organic project backlog, the pro forma dividend and DCF coverage ratio targets for New AM, that New AM does not expect to pay material cash taxes through at least 2023, whether the structure resulting from the merger will be more appealing to a wider set of investors, 2019 and long-term financial and operational outlooks for AM and Antero Resources Corporation ("AR"), impacts of AR's hedge monetizations, impacts of natural gas price realizations, AR's estimated unhedged EBITDAX multiples, future plans for processing plants and fractionators, AR's estimated production, AR's expected future growth and AR's ability to meet its drilling and development plan. Although AM and AMGP each believe that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that the assumptions underlying these forward-looking statements will be accurate or the plans, intentions or expectations expressed herein will be achieved. For example, future acquisitions, dispositions or other strategic transactions may materially impact the forecasted or targeted results described in this presentation. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements. Nothing in this presentation is intended to constitute guidance with respect to Antero Resources.

AM and AMGP caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond the AM's and AMGP's control, incident to the gathering and processing and fresh water and waste water treatment businesses. These risks include, but are not limited to, Antero Resources' expected future growth, Antero Resources' ability to meet its drilling and development plan, commodity price volatility, ability to execute AM's business strategy, competition and government regulations, actions taken by third-party producers, operators, processors and transporters, inflation, environmental risks, drilling and completion and other operating risks, regulatory changes, the uncertainty inherent in projecting future rates of production, cash flow and access to capital, the timing of development expenditures, and the other risks described under "Risk Factors" in AM's Annual Report on Form 10-K for the year ended December 31, 2017. Any forward-looking statement speaks only as of the date on which such statement is made, and neither AMGP nor AM undertakes any obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

This presentation includes certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These measures include (i) Adjusted EBITDA, (ii) Distributable Cash Flow, (iii) Free Cash Flow, (iv) Return on Invested Capital, (v) Net Debt and (vi) Standalone E&P Adjusted EBITDAX. Please see the appendix for the definition of each of these measures as well as certain additional information regarding these measures, including the most comparable financial measures calculated in accordance with GAAP.



The Most Integrated Natural Gas and NGL Platform in the U.S.

A World Class E&P Operator in Appalachia



NYSE: AR

\$7 Billion Enterprise Value⁽¹⁾
Ba2 / BB+ / BBB- Corporate Debt Ratings

31%⁽¹⁾

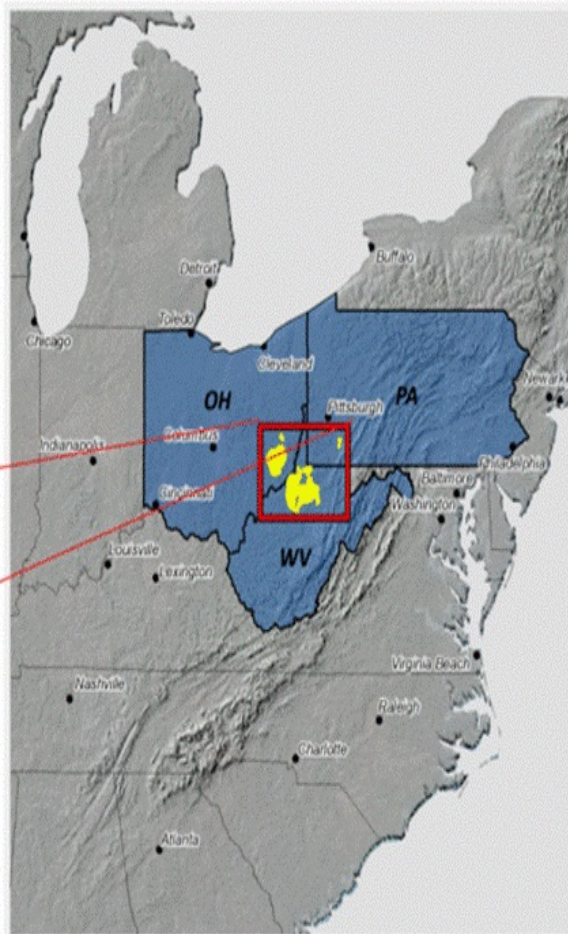
A Leading Northeast Infrastructure Platform



NYSE: AM

What's new: Midstream simplification creating C-Corp and eliminating MLP and IDRs

\$9 Billion Enterprise Value⁽¹⁾
Ba2 / BB+ / BBB- Corporate Debt Ratings (AM)



1. Assumes 12/31/18 balance sheet and 2/12/19 equity prices. Antero Midstream pro-forma for simplification transaction expected to close in March 2019 as detailed in appendix.

What Does Antero Midstream Do?

Provides a customized, integrated full value chain midstream solution



Exploration & Production

Gathering & Compression

Natural Gas Processing

C3+ NGL Fractionation



Water Delivery & Treatment



Long Haul Pipelines

End Users & Export

Future downstream potential opportunity set

NGL Pipelines

End Users & Export

Terminals & Storage



Midstream Simplification has been approved by the AM and AMGP Conflicts Committees and by the AR Special Committee

Transaction Timeline

October 9, 2018	Simplification transaction announced
January 31, 2019	Proxy statements mailed to AM unitholders and AMGP shareholders
March 4, 2019	Deadline for electing merger consideration is 5:00 P.M. (ET)⁽¹⁾
March 7, 2019	Deadline for voting electronically or by telephone is 11:59 P.M. (ET)⁽¹⁾
March 8, 2019	Special meeting of AM unitholders and AMGP shareholders to approve simplification transaction
March 12, 2019	Transaction expected to close

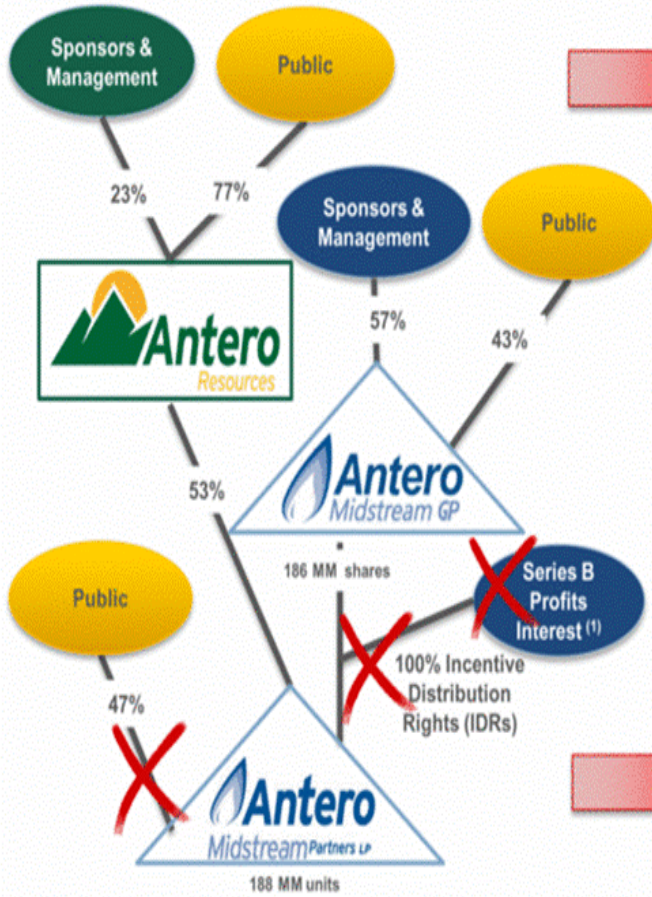
Please vote your AM units and AMGP shares

1. Deadline for registered holders. If you hold AM units or AMGP shares in the name of a bank, broker or other nominee, you should follow the instructions provided by your bank, broker or other nominee.

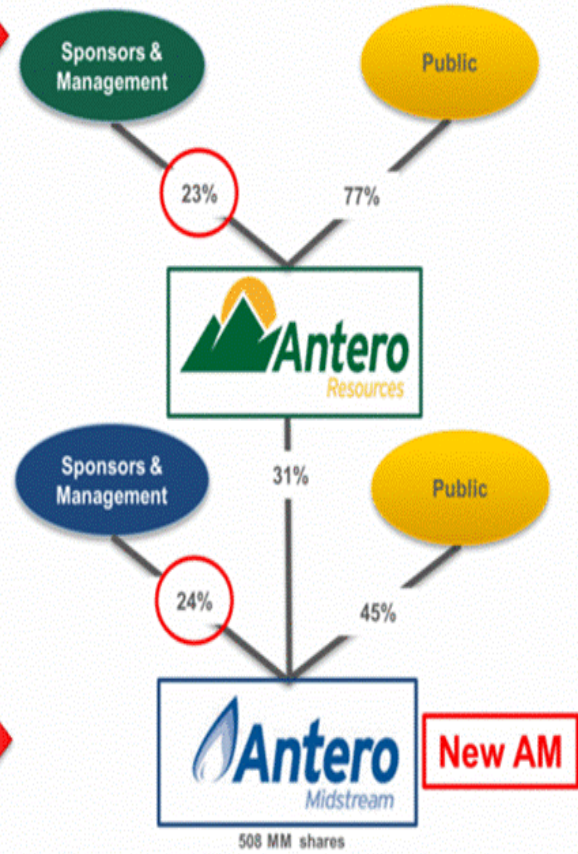
Antero Family Simplified Pro Forma Structure

Midstream simplification transaction results in one publicly traded midstream infrastructure corporation with no IDRs and AR as its largest shareholder

Status Quo Structure



Simplified Pro Forma Structure⁽²⁾



1) Series B profits interest held by Antero management. 2. Pro forma ownership may vary depending upon cash election outcome.
 Note: Rectangle denotes corporation and triangle denotes partnership for state law purposes. AMGP is currently taxed as a corporation.



Announced on 10/09/2018 and expected to close in March 2019

1

Simplifies midstream structure and aligns all Antero equity holders

- Converts MLP to C-Corp structure without IDRs
- Expected to broaden investor base and create opportunity for inclusion in major equity indices

2

Tax efficient and eliminates ~\$375 MM of expected taxes through 2022

- Taxable to AM unitholders (depending on tax basis) and results in tax basis step up to AMGP
- Tax savings by pro forma entity facilitates increased pro forma dividends and accretion per share

3

Mutually beneficial and immediately accretive to both AMGP and AM DCF/Unit

- AM public unitholders receive up front premium and increased distributions (dividends) on same growth profile in 2019
- Highest DCF growth among top 20 midstream entities from 2019-2022 at midpoint of targeted DCF growth range of 18% to 25%

4

Improves cost of capital to pursue additional growth opportunities

- Elimination of IDRs lowers cost of capital and structure supports trajectory towards investment grade ratings

5

Enhances governance and shareholder rights

- Shareholder elected Board with C-Corp governance and majority of independent directors

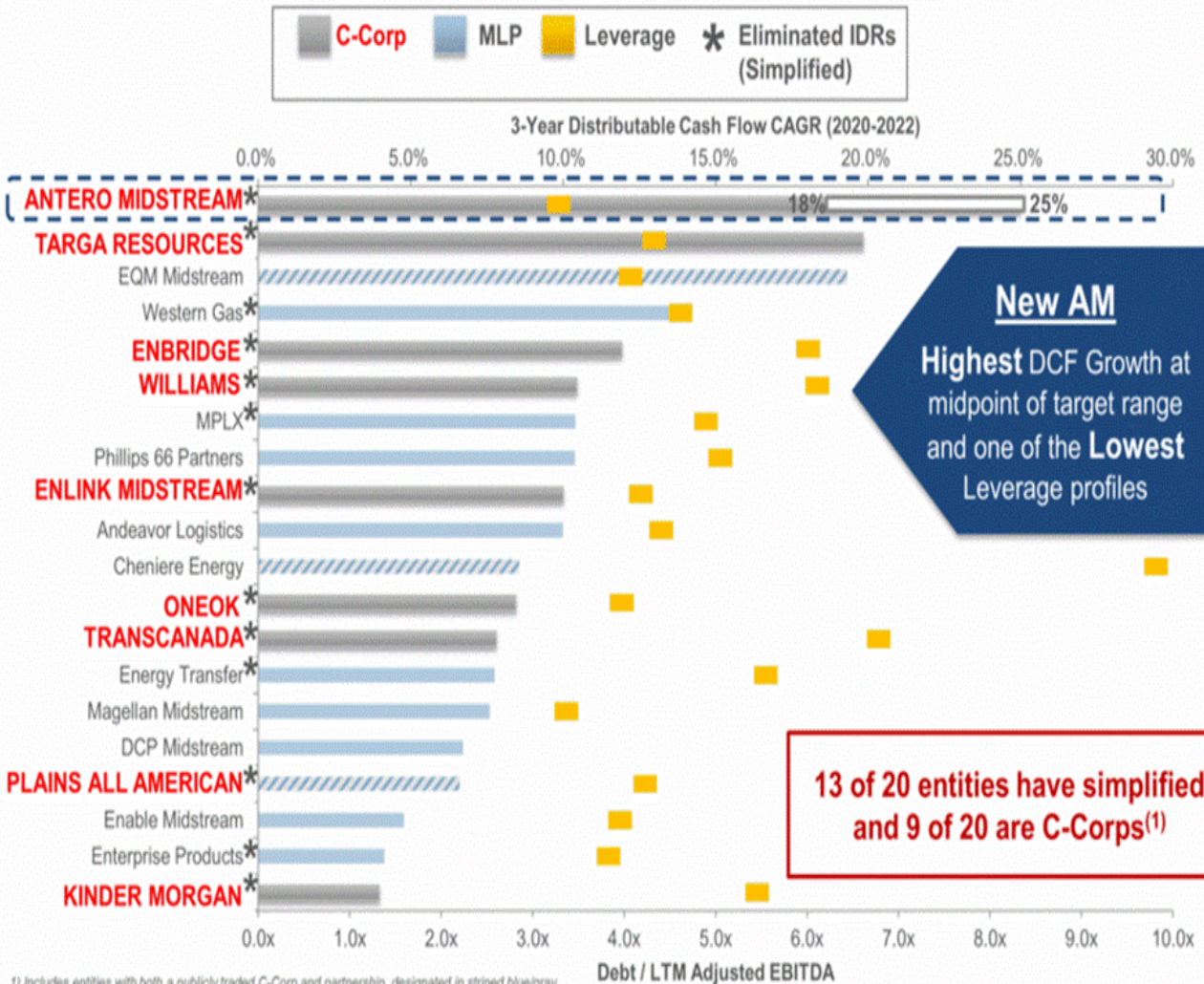
6

Cash consideration results in further deleveraging at AR

- Minimum of ~\$300MM cash consideration to AM's sponsor depending on cash election by AM public unitholders
- Strengthens AR's balance sheet

Highest DCF Growth Among Top 20 Midstream

New AM will be a unique midstream vehicle with scale, low leverage and high distributable cash flow growth all in a C-Corp structure



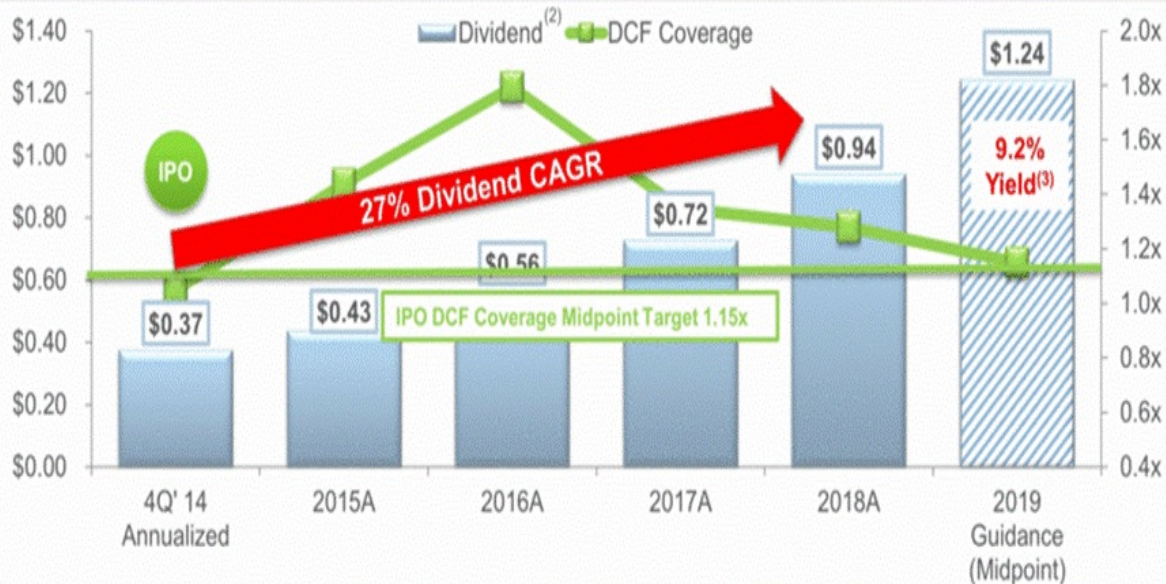
1) Includes entities with both a publicly traded C-Corp and partnership, designated in striped blue/gray. Source: FactSet. Top 20 midstream companies by market capitalization as of 2/12/2019. Pro forma for announced combination or simplification transactions that haven't closed including WES/WGP and AM/AMGP.

Long Track Record Of Success



Antero Midstream has delivered a 27% dividend CAGR through the downturn and exceeded DCF coverage targets by 22% on average since the IPO

New AM Dividend Per Share and DCF Coverage Since IPO



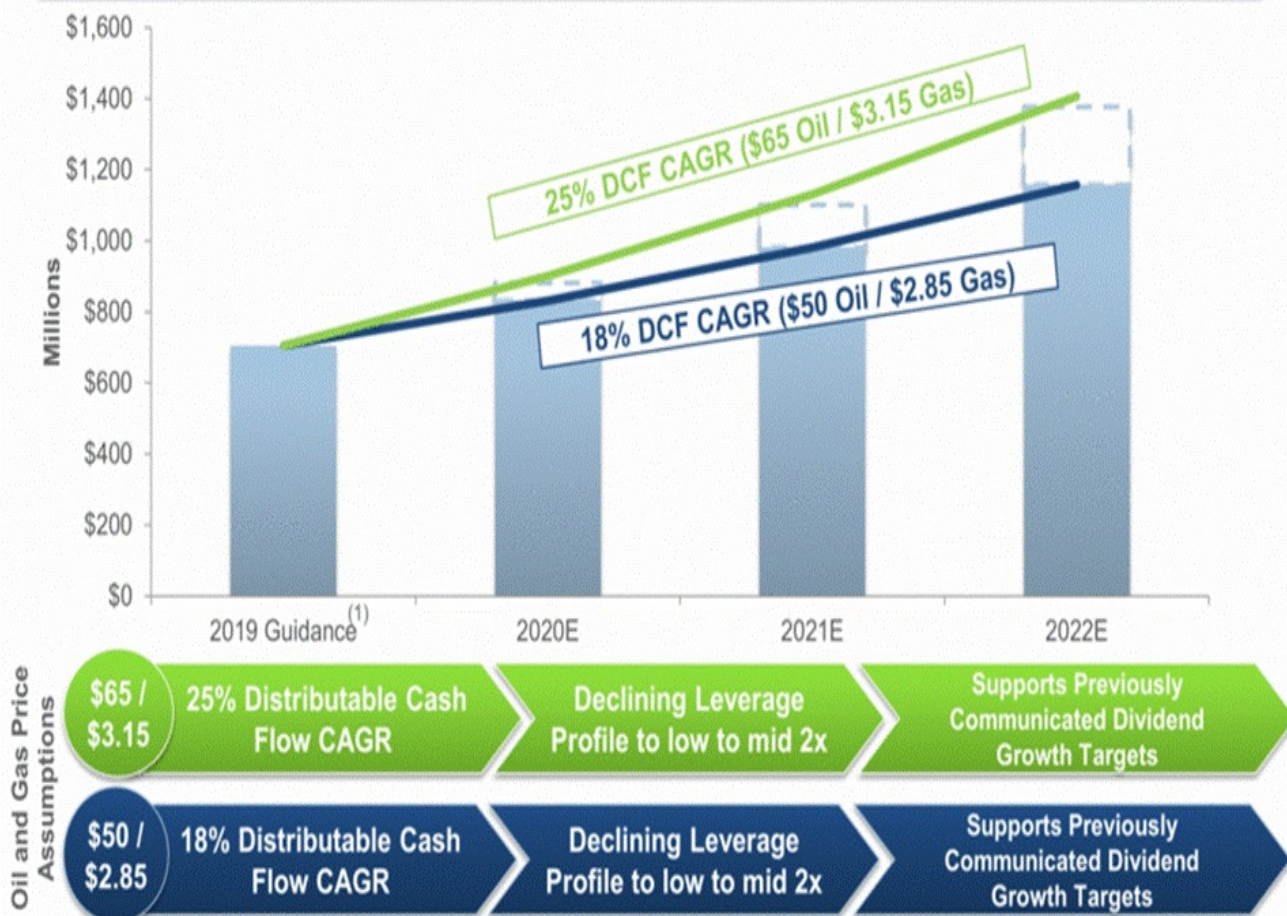
	IPO Year - 2014	2019 Guidance	
Adjusted EBITDA ⁽¹⁾ :	\$67 MM	\$870 MM - \$920 MM	+1,235%
Distributable Cash Flow ⁽¹⁾ :	\$53 MM	\$680 MM - \$730 MM	+1,201%

1) Adjusted EBITDA and Distributable Cash Flow are non-GAAP measures. For additional information regarding these measures, please see "Antero Midstream Non-GAAP Measures" in the Appendix.
 2) Historical dividends adjusted for pending simplification transaction based on 1.832x share exchange ratio assuming 100% equity consideration for public AM unitholders on announcement date of October 9, 2018.
 3) Based on share price of \$13.34 per unit as of 2/12/2019.

Long-Term Outlook – New AM

Based on AR's flexible long-term outlook, AM is targeting an 18% - 25% distributable cash flow (DCF) CAGR from 2020 to 2022

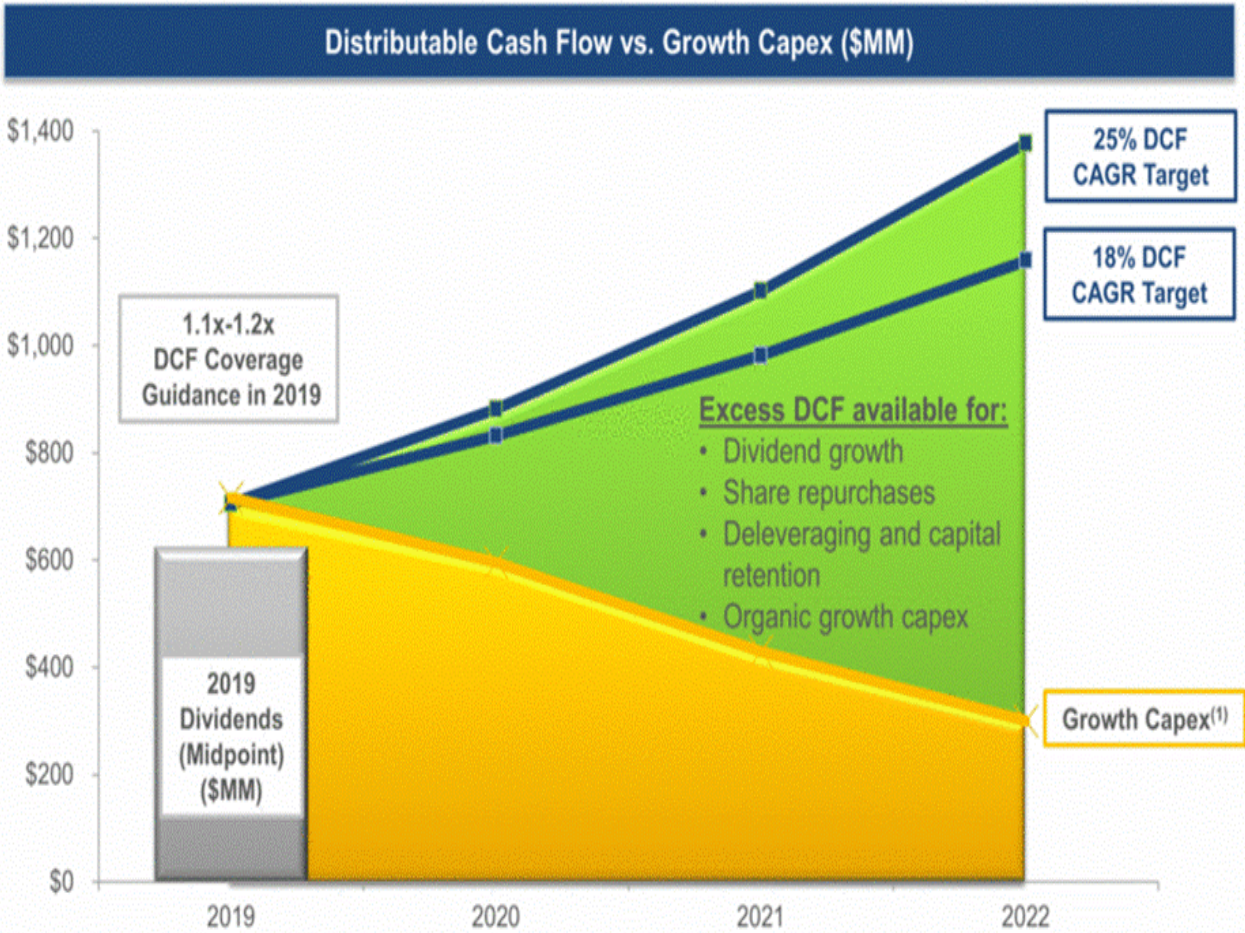
New AM Distributable Cash Flow Growth Scenarios (2020 – 2022)



Note: Distributable cash flow is a non-GAAP metric – see appendix for details. DCF CAGR ranges apply to midpoint of 2019 production guidance.
 1) Based on the midpoint of 2019 distributable cash flow guidance.

DCF Profile Supports Growing Return of Capital

Antero Midstream's distributable cash flow growth, self-funding business model, and leverage profile supports an increase in return of capital to shareholders

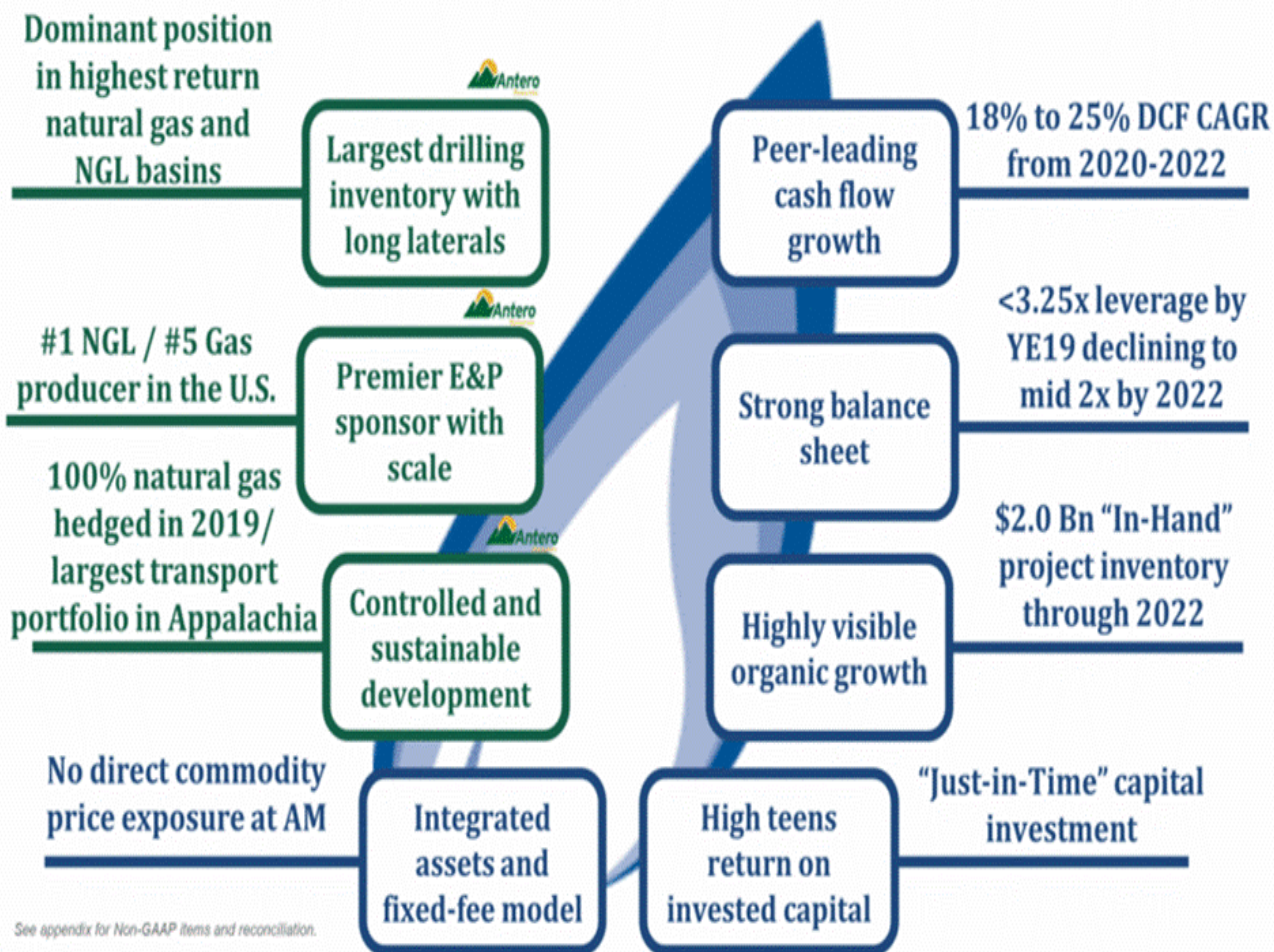


Note: Distributable Cash Flow is a Non-GAAP measure. For additional information regarding these measures, please see appendix. Dividends and DCF targets pro forma for simplification transaction expected to close in March 2019.

1. Growth capex based on FactSet consensus estimates as of 2/1/2019.

Antero Midstream's Strategy

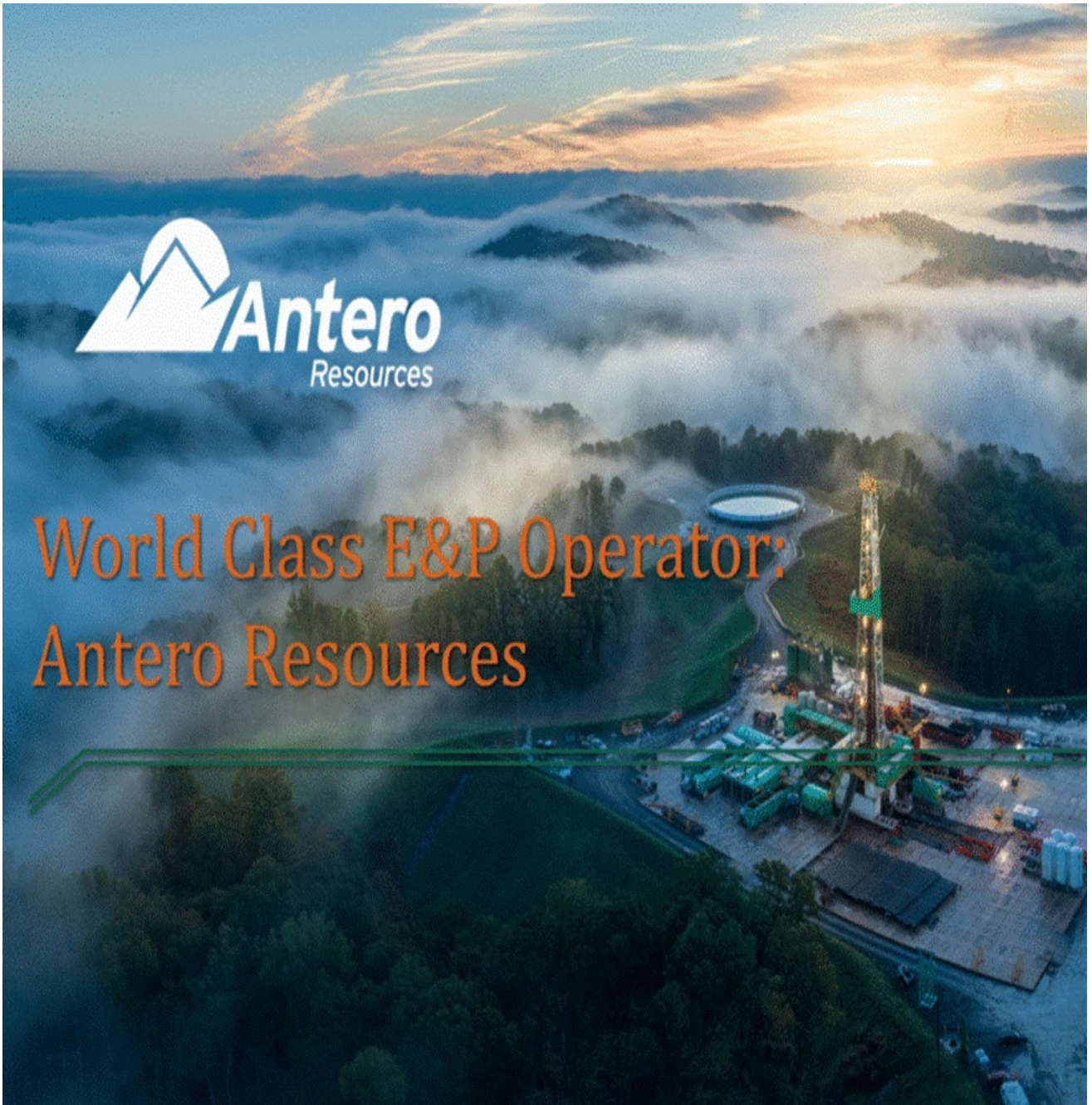
AR + AM ownership captures the integrated natural gas and NGL value chain with C-Corp governance and ongoing return of capital



Differentiated Strategy for Delivering Shareholder Value

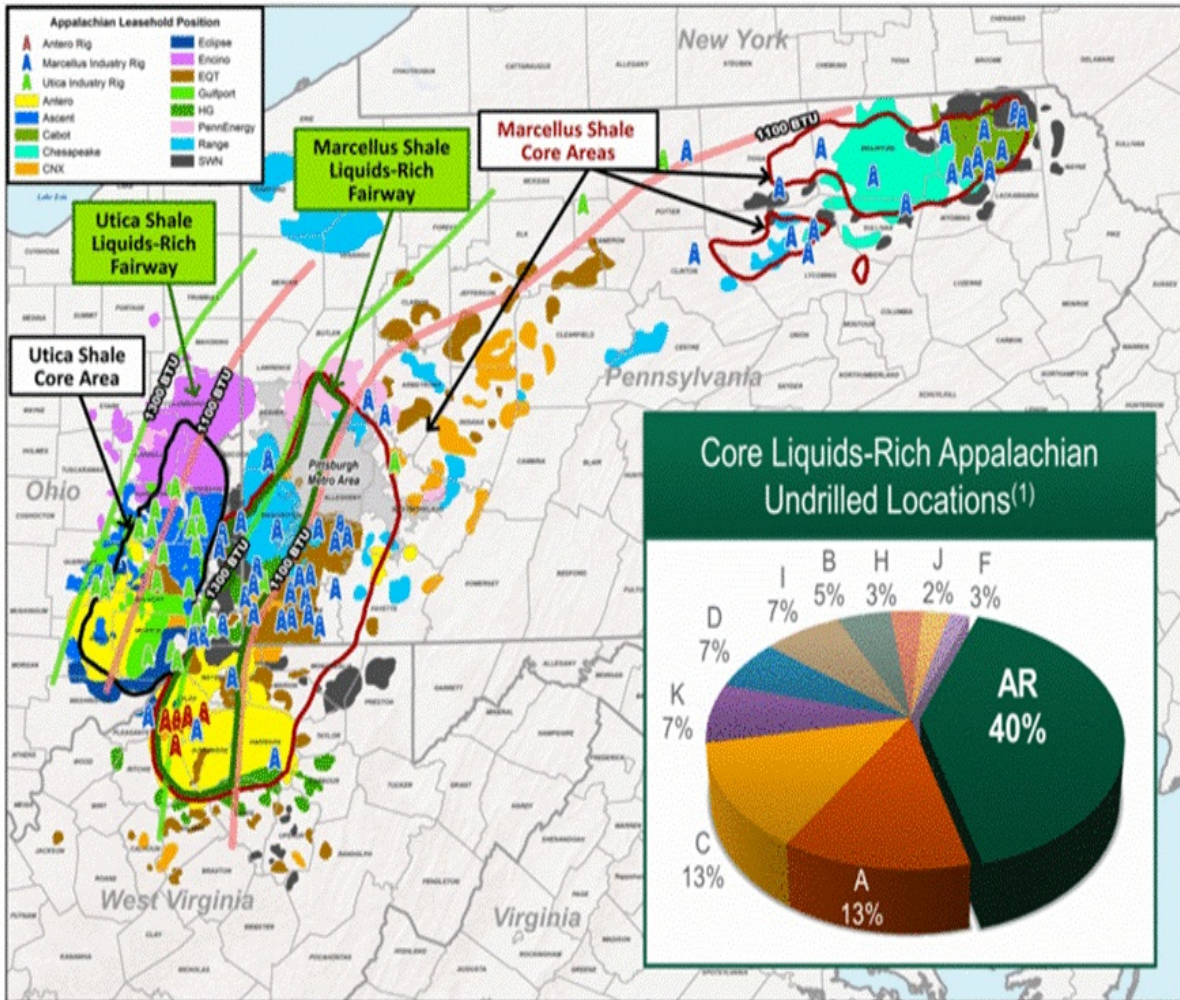


World Class E&P Operator: Antero Resources





Antero Resources holds 40% of the core undrilled liquids-rich locations in Appalachia with attractive economics and low breakeven prices



Peers include Ascent, CHK, CNX, COG, CVX, EQT, GPOR, HG, RRC and SWN. Based on Antero analysis of undeveloped acreage in the core of the Marcellus and Ohio Utica Shales. Rigs as of 2/1/2019. Locations as of 9/30/18.



The Exploration and Production Industry is:



Antero's Strategy

- Focus on liquids-rich development – not just a natural gas producer
- Sell production forward (100% hedged on gas in 2019) when favorable
- Maintain strong balance sheet to absorb pricing volatility



Antero's Strategy

- Own the lowest cost resource in the premier shale plays
- Disciplined investment within cash flow
- Low maintenance capital (~\$700-\$750MM needed to keep production flat)⁽¹⁾



Antero's Strategy

- Long-term focus, run by Co-Founders
- First mover on low-cost firm transportation
- Achieve scale to capitalize on investment opportunities
- Integrated model to capture value chain

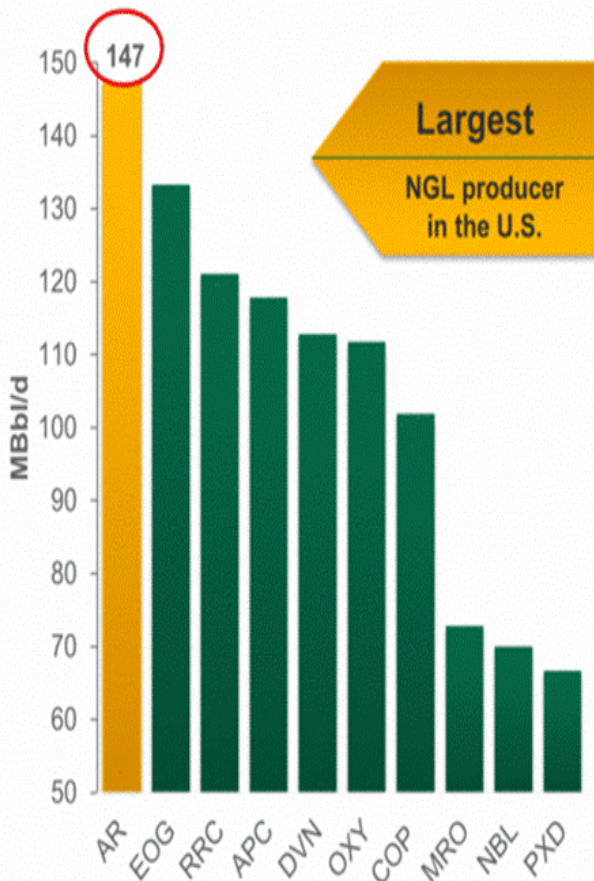
1. Maintenance capital based on holding production of 3.2 Bcfe/d flat through 2023.

Strong Sponsor with Scale to Capitalize on Resource

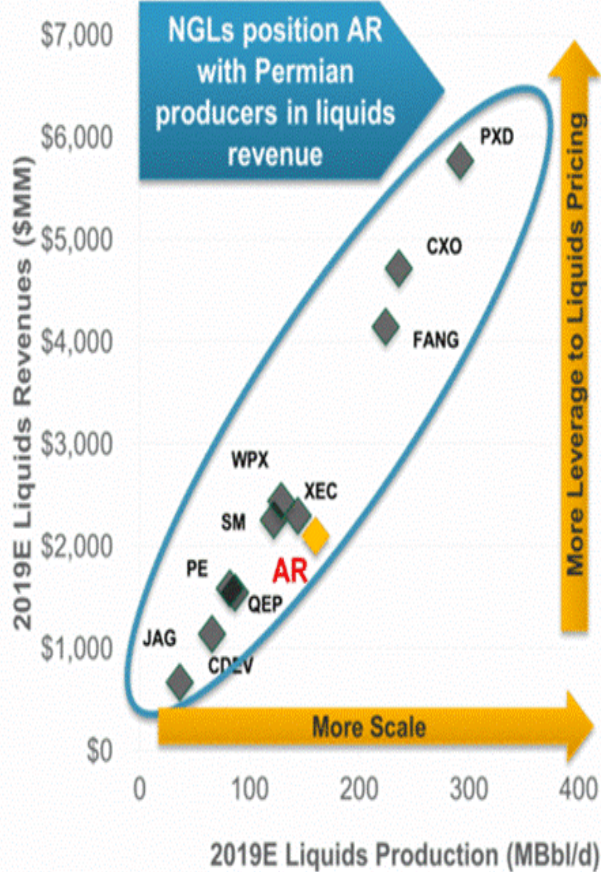


AM's sponsor and primary customer (AR), is the largest NGL producer in the U.S. with a strong balance sheet and leverage in the low 2x range

Top U.S. C2+ NGL Producers - 2019E⁽¹⁾



2019 Liquids Production vs. Revenue⁽¹⁾⁽²⁾



1) Factset consensus estimates as of 02/12/2019.
 2) Liquids defined as oil and natural gas liquids (NGLs).



Antero's flexible development program through 2023 will be responsive to commodity prices to grow production and maximize free cash flow

Lower Prices: \$50 Oil / \$2.85 Gas

- 10% Production CAGR (2019-2023)
- <2x Stand-alone leverage by 2022
- Free Cash Flow neutrality
- 100% hedged on 2019 and 55-60% hedged on 2020 production guidance and outlook

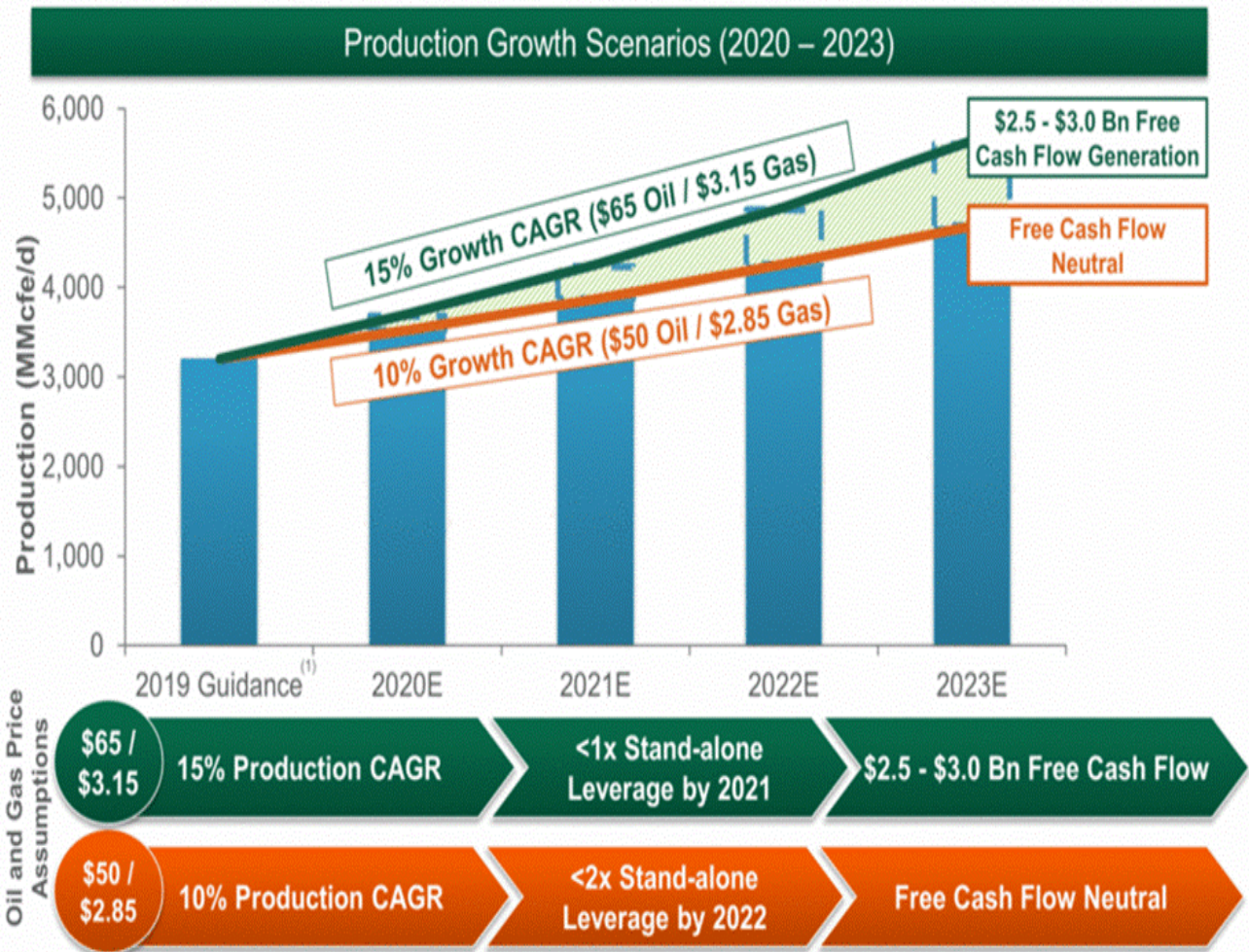
Higher Prices: \$65 Oil / \$3.15 Gas

- 15% Production CAGR (2019-2023)
- <1x Stand-alone leverage by 2021
- \$2.5 - \$3.0 Bn of Free Cash Flow
- Appropriate mix of return of capital and balance sheet deleveraging





Antero is poised to prudently grow production to maximize free cash flow, ultimately resulting in an appropriate mix of return of capital and further deleveraging



Note: Production CAGR ranges apply to midpoint of 2019 production guidance.
 (1) Based on midpoint of 2019 production guidance.



Antero Resources is 100% hedged on natural gas through 2019; Hedges and FT provide price stability to support sustainable long-term development

Hedge Portfolio Supports Firm Commitments



Firm Transportation Portfolio

Allows Antero Resources to Achieve:



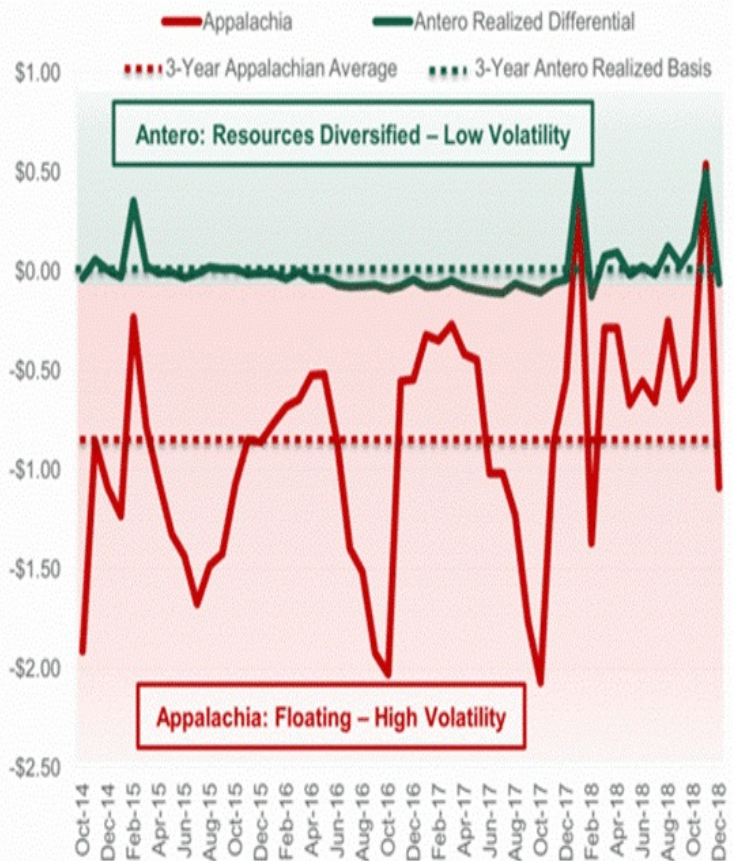
Premium Price Certainty

Less volatility and greater surety in realized prices

Hedge NYMEX Index

A key advantage as our product is delivered to NYMEX-related markets

Antero Natural Gas Differentials vs. Appalachia



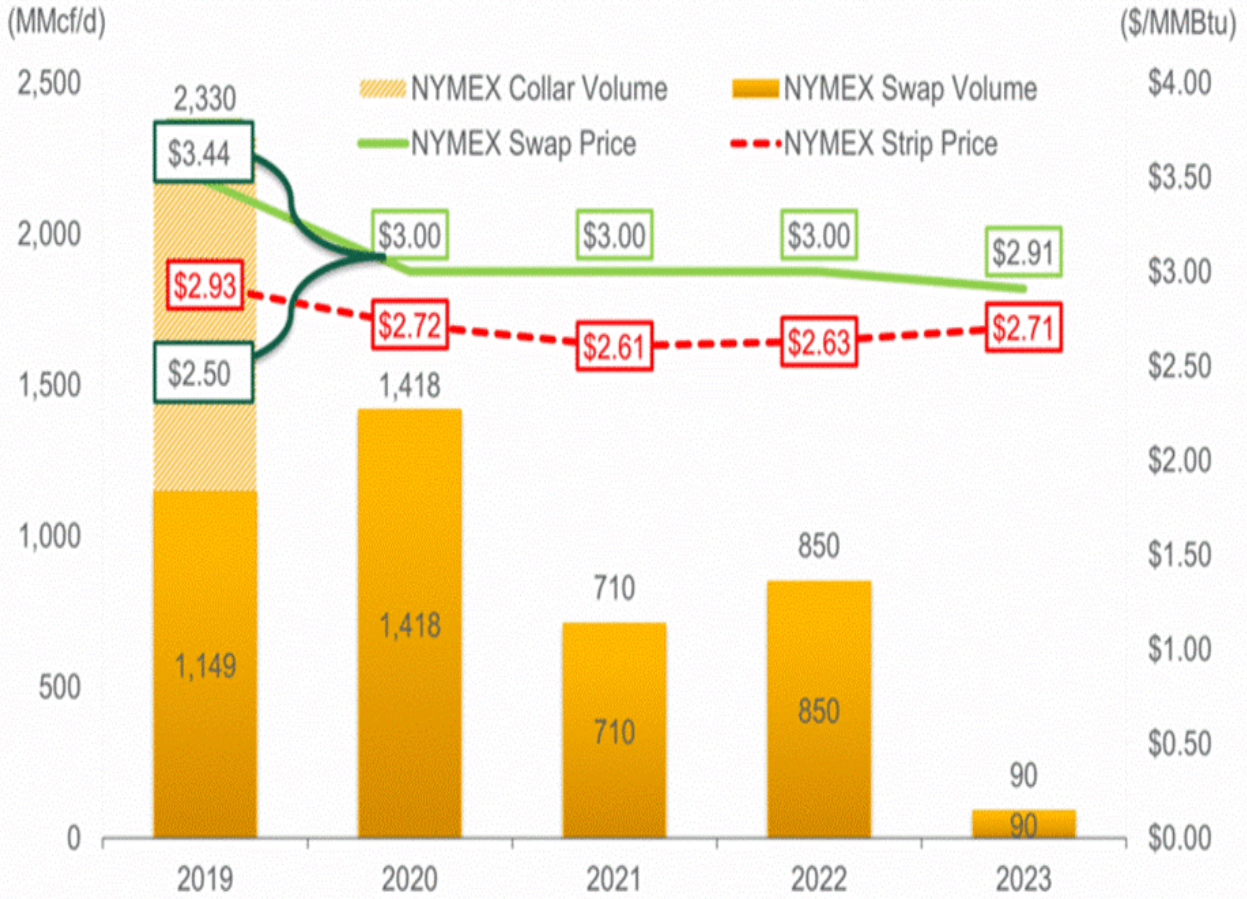
(1) Reflects discount to NYMEX for Appalachia in-basin pricing at Dominion South & TETCO M2 indices.
 (2) Represents simple average discount to NYMEX for Antero firm transportation capacity.

Note: Pricing reflects pre-hedge pricing



Antero has 100% of its gas production hedged in 2019 and 55% to 60% hedged in 2020 at ~\$3.00/MMbtu

Antero Hedge Profile⁽¹⁾



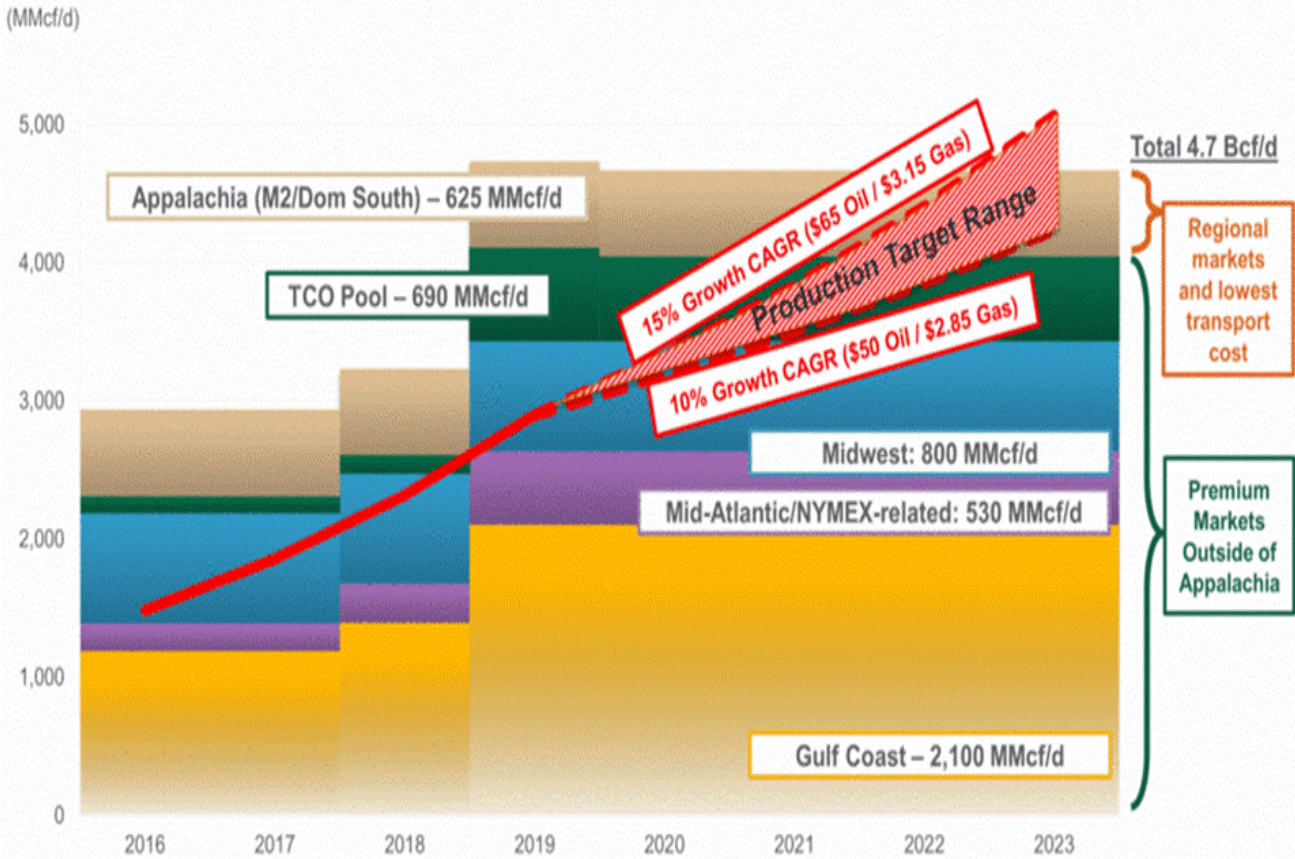
¹⁾ Based on 2019/2019 NYMEX Henry Hub strip pricing.

Firm Transportation Portfolio Provides Visibility



All of Antero Resources' contracted firm capacity is now in service, providing visible production growth and sales to diversified markets

Antero Resources Firm Transportation Portfolio vs. Gross Gas Production (MMcf/d)



1) 2019 natural gas volume assumes midpoint of 2019 guidance and has been grossed up for 83% net revenue interest and an 1100 BTU factor. Outer years assume 10% or 15% year-over-year growth thereafter.



Antero's integrated strategy has resulted in peer-leading realized prices and margins for 6 straight years and consistent results through commodity cycles

All-in Pricing Realizations (\$/Mcf)



Stand-alone E&P Adjusted EBITDAX Margins (\$/Mcf)



Source: SEC filings and press releases. Peers include: CNX, COG, EQT, RRC & SWN. See appendix for detailed calculations.



Premier Northeast Infrastructure Platform



Antero Clearwater Facility – February 2018

Antero Midstream Asset Overview



AR's core resource base, combined with AM's integrated midstream assets, positions AM as the leading Appalachian infrastructure growth platform



Over 300 miles of pipeline



Over 2.2 Bcf/d of compression capacity



Over 275 miles of fresh water pipeline and 60,000 Bbl/d of wastewater treatment capacity



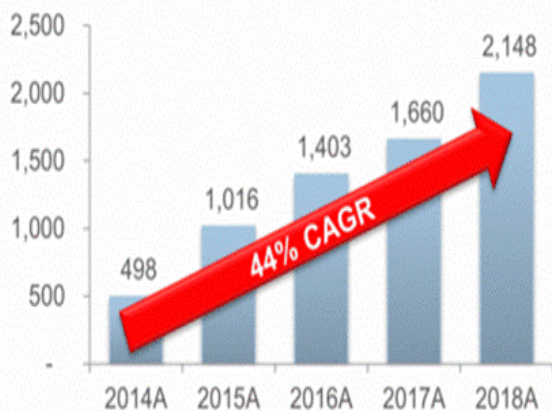
Over 1.0 Bcf/d processing capacity and 20,000 Bbl/d of fractionation capacity

High Growth Midstream Throughput



Antero Midstream has delivered consistent, peer-leading, and sustainable growth through its organic investments

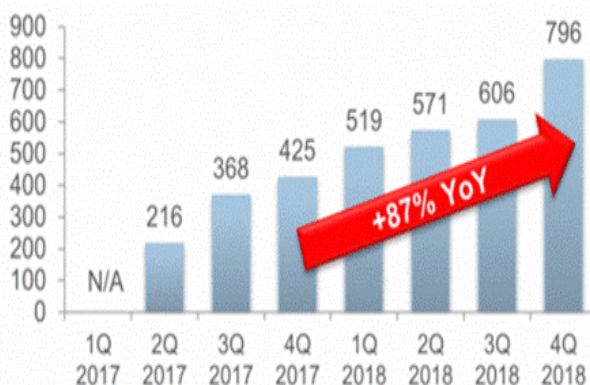
Low Pressure Gathering (MMcf/d)



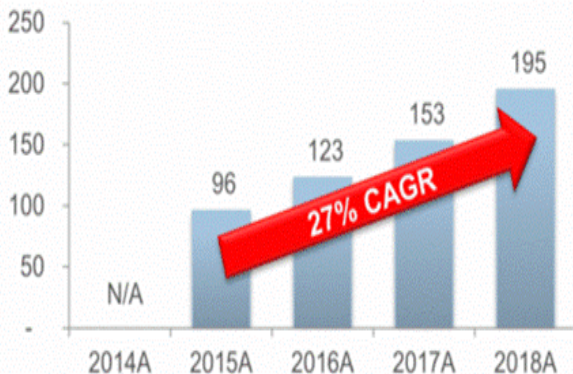
Compression (MMcf/d)



Gas Processing (MMcf/d)



Fresh Water Delivery (MBbl/d)



Note: CAGRs represent 2014-2017 growth period where applicable.

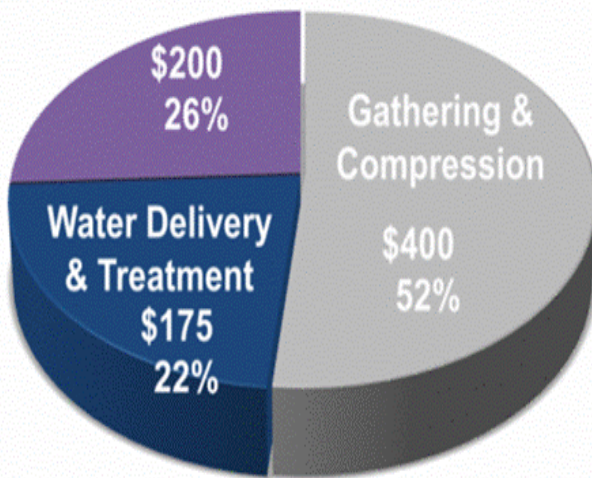


2019 organic capital budget fully funded with retained cash flow and credit facility borrowings → no need for equity financing

Capital Expenditures (\$MM)

Adjusted EBITDA (\$MM)

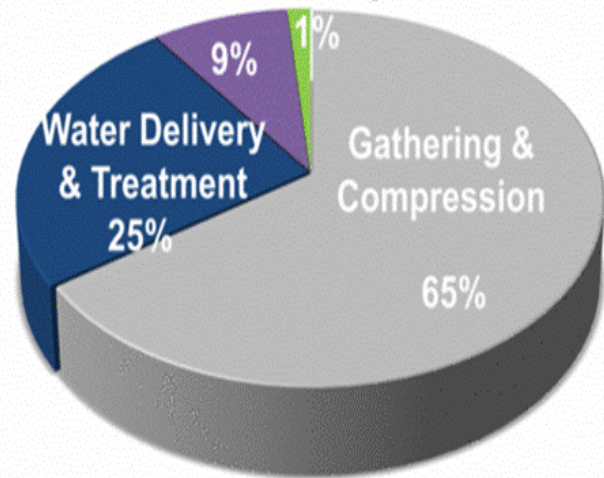
Processing & Fractionation



Capital Budget: \$775MM

Processing & Fractionation

Long Haul Pipelines



EBITDA Guidance⁽¹⁾: \$870- \$920MM

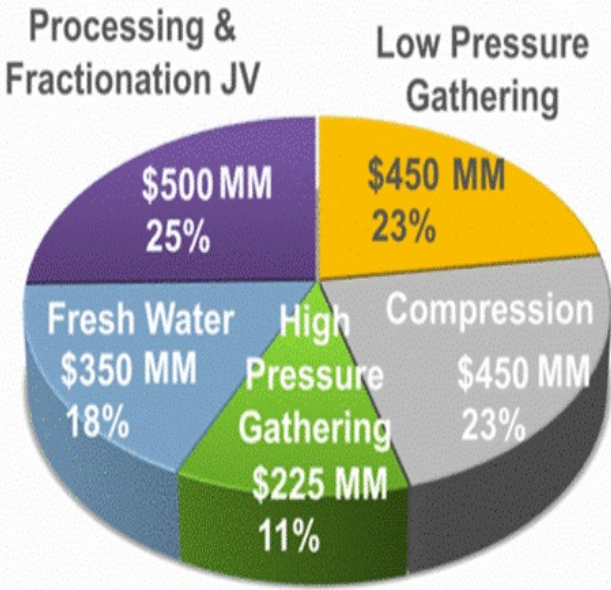
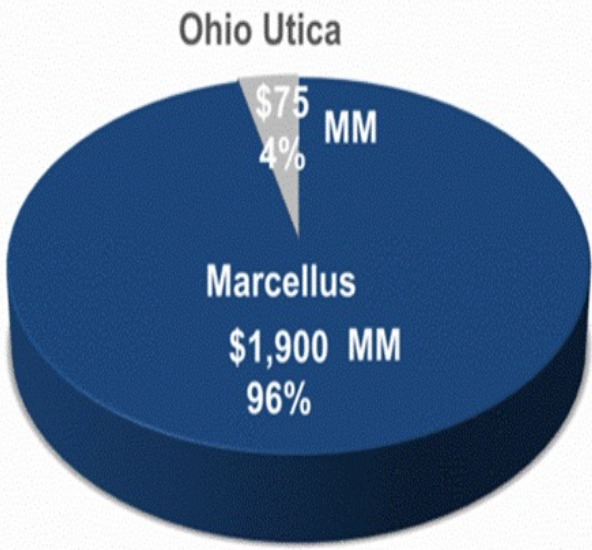
1. Adjusted EBITDA . See appendix for Non-GAAP items and reconciliation

“High-graded” organic project backlog of \$2.0B through 2022

Primary focus on rich gas Marcellus infrastructure

\$2.0B Project Backlog – By Area

\$2.0B Project Backlog – By Function



4-year identified project inventory of \$2.0B

Note: Processing and fractionation JV includes \$200MM of capital incremental to original \$800MM investment for additional processing facilities constructed in the 5-year plan.

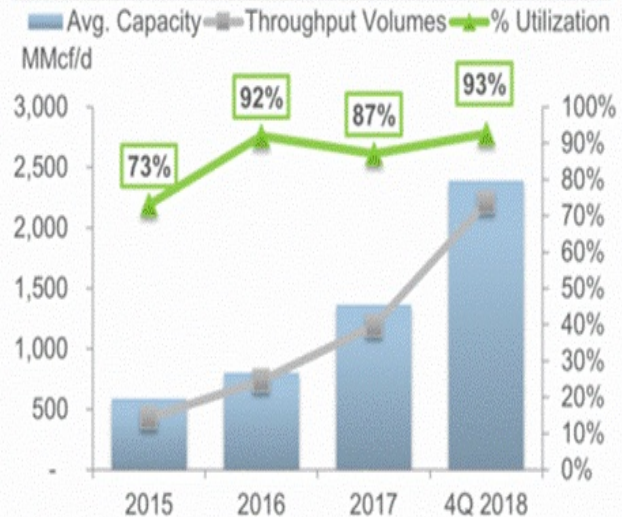


Significant long-term volumetric visibility from AR supports efficient gathering and compression infrastructure buildout and attractive project returns

Asset Strategy

- “Just-in-Time” capital investment philosophy appropriately sizes infrastructure buildout
- Eliminates “gas waiting on pipe” for AR
- Targets high asset utilization rates and continued focus on expense reduction strategies
- 100% fixed fee revenues & minimum volume commitments (MVCs)

Historical Compression Utilization



2019 Gathering & Compression Projects

Gathering Pipelines	Miles	Size (Inch)	In Service	Compressor Station	Location	Capacity (MMcf/d)	In Service
Tyler/Wetzel Connector	15	30	3Q19	Ferrell	Marcellus	240	1Q19
Tyler/Wetzel LP Gathering	15	20	Ongoing	Ferrell Expansion	Marcellus	120	3Q19
Total 2019 Projects						360	

Processing and Fractionation Assets & Strategy

Joint Venture with MPLX (subsidiary of Marathon) aligns the largest core liquids-rich resource base with largest processing and fractionation footprint in Appalachia

Asset Strategy

- Support rich-gas and C3+ NGL volume growth at AR, investing “Just-in-Time” capital along side MPLX
- Sherwood 11 was placed in service in December 2018



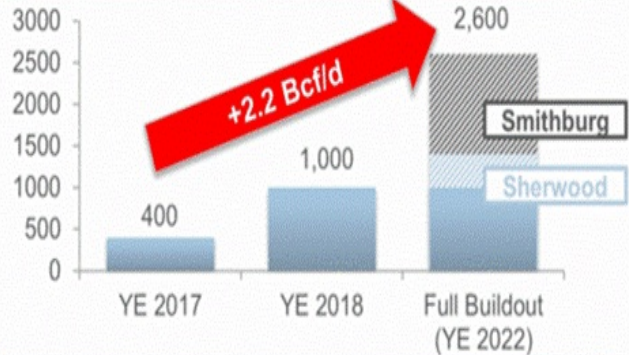
Sherwood is now the **largest processing facility in North America**

- 100% fixed-fee supported by MVC’s

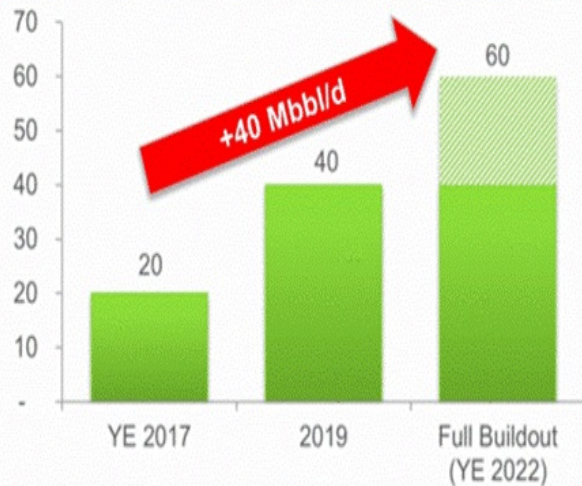
Processing and Fractionation Projects

Committed Growth Projects	Capacity (MMcf/d)	In Service
Hopedale 4 Fractionator (Bbl/d)	60,000	4Q18
Sherwood 12 Processing Plant	200	2Q19
Sherwood 13 Processing Plant	200	3Q19
Smithburg 1 Processing Plant	200	1Q20

Cumulative JV Processing Capacity (Bcf/d)



Cumulative JV Fractionation Capacity (MBbl/d)



Note: JV has an option to purchase a 1/3 interest in Hopedale 4 Fractionator, or 20,000 Bbl/d net capacity. Hopedale 4 is in service and election is included in AM's 2019 Budget. Committed projects are 100% committed to by AR.

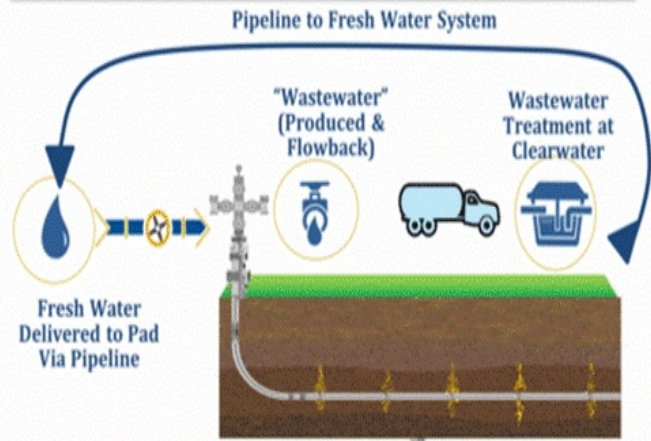
Water Handling and Treatment Assets & Strategy

Due to the reliability of AM's buried fresh water pipeline system, AM has a 100% track record of timely fresh water deliveries to AR's completions

Asset Strategy

- Provide timely service to allow AR to maintain its development pace and flexibility
- Sustainable "Closed Loop" system for providing freshwater, then recycling wastewater for re-use
 - Eliminates >620,000 truck trips and 42,000 tons of CO2 emissions per year
- 100% fixed fees for delivery and treatment
- AM's firm water service at the pad saves AR an estimated \$0.50 per barrel for fresh water needs compared to trucking

Water Services Provided



2019 Fresh Water Projects

Growth Projects	Miles/ Capacity	In Service
Ohio River to Pioneer Buried Line	10 miles	4Q19
Ohio River Withdrawal Facility	80 Bbl/Minute	4Q19
Tyler/Wetzel Surface Line Connects	-	Ongoing

Fixed Fee Business Model Supports Stable Cash Flows

Antero Midstream generates all of its revenues through fixed-fee contracts, insulating EBITDA growth from commodity price volatility

Details

- 100% of revenues derived from fixed-fee contracts
- Backed by acreage dedications from Antero Resources in the core of the Marcellus and Utica
- Contract life of 10-15 years with inflation protection
- Underpinned by minimum volume commitments (MVCs)
 - 70-75% on compression, HP gathering and processing

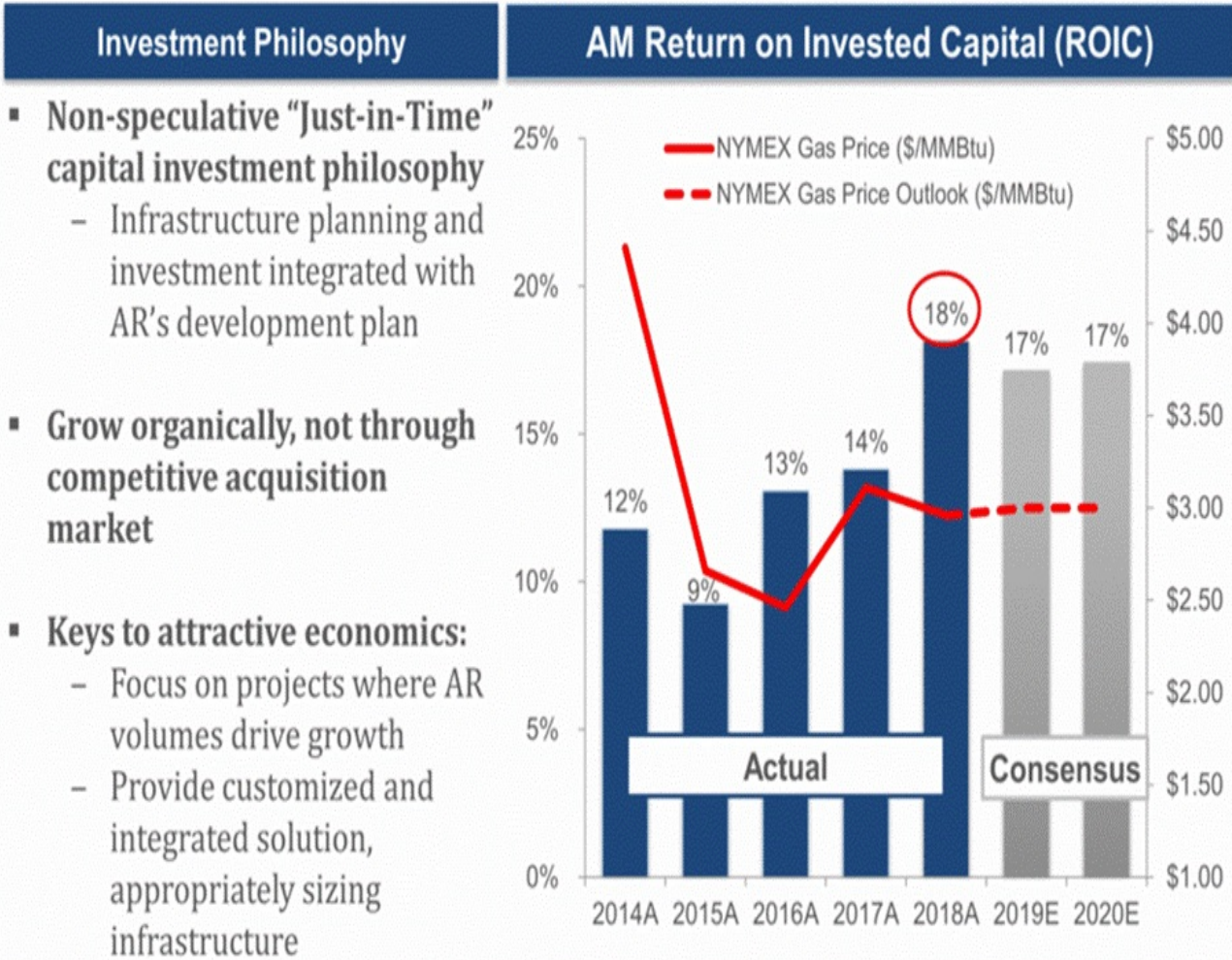
Antero Midstream Adjusted EBITDA (\$MM)



See appendix for Non-GAAP items and reconciliation. 2019 reflects previously disclosed Antero Midstream guidance ranges. 2020 reflects FactSet consensus estimates as of 2/1/2019, denoted in light gray.
 Note: CAGR represents CAGR from 2019 midpoint compared to 2014 actuals.

Organic Strategy Drives Attractive Return on Capital

Fixed-fee tolling business combined with “Just-in-Time” capital investment drives attractive returns on capital across commodity environments



Source: FactSet consensus as of 02/12/19. Return on invested capital is a non-GAAP measure. For additional information regarding this measure, please see “Antero Midstream Non-GAAP Measures” in the Appendix. Note: NYMEX gas price outlook based on midpoint of Antero Resources pricing assumptions of \$50-\$65 per barrel WTI oil prices and \$2.85-\$3.15 per MMBtu NYMEX natural gas prices beginning in 2020.

The "New" Energy Infrastructure Model



New AM checks all the boxes



	"Old" MLP Model Perception	"New" Infrastructure Model		
Corporate Structure	K-1 tax form and "IDRs"	1099 tax form and No "IDRs"	✓	Plus C-Corp governance
Investor Base	Niche and retail oriented investor base	Broad institutional investor base	✓	Eligible for major indices
Financing	Serial equity issuance	Self-funding growth projects	✓	No expected equity needs through 2022
Leverage	Over-levered in 4x - 5x range	Appropriate leverage in 3x-4x range	✓	3x declining to low 2x range by 2022
Capital Discipline	Growth at sub-optimal economics	Disciplined capital allocation	✓	Mid-to-high teens return on capital
Return of Capital	Higher distribution growth, lower distribution coverage	Lower dividend growth, higher dividend coverage	✓	Optionality to grow dividends, repurchase shares and/or retain capital



Prolific Underlying Resource & De-risked Development Plan...

- Multi-decade underlying NGL and natural gas resource base in Appalachia
- Dominant liquids-rich position with significant barriers to entry



...Run by Co-Founders...

- Significant ownership directly aligned with shareholders
- One of the longest tenured management teams in Appalachia



...With A Differentiated Strategy...

- Resilient organic growth model delivers results across commodity cycles
- “Just-in-Time” capital investment aligned with sponsor development program drives superior return on invested capital (ROIC)
- No expected equity needs to fund \$2.0 billion of “In-Hand” opportunities



... In the Right Corporate Structure...

- Tax efficient and universally investable C-Corp structure
- Will be eligible for major equity index inclusion



...At an Attractive Valuation

- Unique blend of growth and yield unmatched vs. S&P 500 companies
- Attractive valuation on traditional cash flow and earnings metrics vs. S&P 500 sectors



APPENDIX

A horizontal blue banner with a white chevron pattern on the left side, containing the word "APPENDIX" in white, bold, sans-serif capital letters.



At the effective time of the Merger: in exchange for each AM Common Unit held, each AM Public Unitholder will be entitled to receive, at its election and subject to proration, one of:



Public Mixed Consideration

\$3.415 in cash without interest and 1.6350 shares of New AM Common Stock



Public Stock Consideration

1.6350 shares of New AM Common Stock plus an additional number of shares of New AM Common Stock equal to the quotient of (A) \$3.415 and (B) the AMGP VWAP



Public Cash Consideration

\$3.415 in cash plus an additional amount of cash, in each case without interest, equal to the product of (A) 1.6350 and (B) the AMGP VWAP

Note:

The aggregate cash consideration to be paid as Merger Consideration will be fixed at an amount equal to the aggregate amount of cash that would be paid if all AM Public Unitholders received the Public Mixed Consideration (the "Public Available Cash") and Antero Resources received the AR Mixed Consideration (collectively, the "Available Cash Consideration"), which is approximately \$598 million in the aggregate. However, if the Public Available Cash exceeds the cash consideration elected to be received by the AM Public Unitholders (the amount of such excess, "Excess Available Cash"), Antero Resources may elect to increase the total amount of cash it receives as a part of the AR Mixed Consideration up to an amount equal to the Excess Available Cash. To the extent Antero Resources elects to receive additional cash, the number of shares it receives will be reduced accordingly based on the AMGP VWAP. In addition, the Merger Consideration each AM Public Unitholder will receive may be prorated in the event that more cash or equity is elected to be received than what would otherwise have been paid if all AM Public Unitholders received the Public Mixed Consideration and Antero Resources received the AR Mixed Consideration. See definitive proxy statement/prospectus for additional information.

Simplification Transaction Overview



On October 9th, Antero Midstream GP LP (“AMGP”) announced that it had agreed to acquire Antero Midstream Partners LP (“AM”) to be renamed “Antero Midstream Corporation” (NYSE: AM) or “New AM”

Key Deal Terms

- AMGP to acquire 100% of outstanding common units of AM, including common units owned by AR
- Elimination of incentive distribution rights (“IDRs”) and Series B profits interest
- All-in consideration to AM public unitholders consisting of 1.635 AMGP shares and \$3.415/unit in cash
- All-in consideration to AR owned AM units consisting of 1.6023 AMGP shares and \$3.00/unit in cash
- Total aggregate cash consideration of \$598 MM

Structure

- Pro forma entity will convert to a C-Corp for tax and governance purposes and will be renamed Antero Midstream Corporation (“New AM”)
- New AM will trade on the NYSE and will retain the “AM” ticker symbol
- Streamlined governance and Board of Directors composition with majority of independent directors

Taxes

- Taxable to all AM common unitholders and New AM receives the benefit of a tax basis “step-up”
- Not expected to pay any material federal or state income taxes through at least 2023
- PV-10 savings of approximately \$800 million to New AM from tax basis step-up

Financing

- Transaction to be financed through borrowings on New AM’s revolving credit facility
- AM exercised its accordion feature, increasing borrowing capacity to \$2.0 Billion
- Maintains trajectory towards investment grade credit profile

Voting & Close

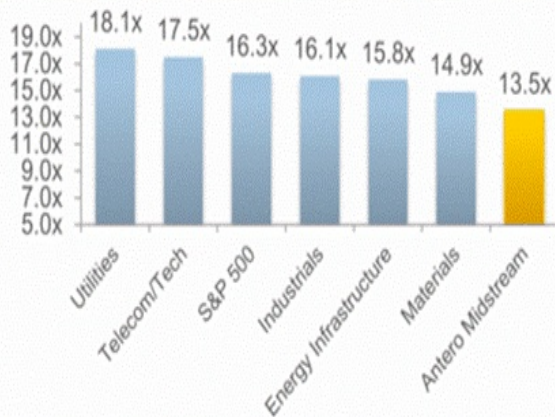
- Subject to majority of minority vote at AMGP and AM and expected to close in the first quarter of 2019

Attractive Valuation on Traditional Metrics

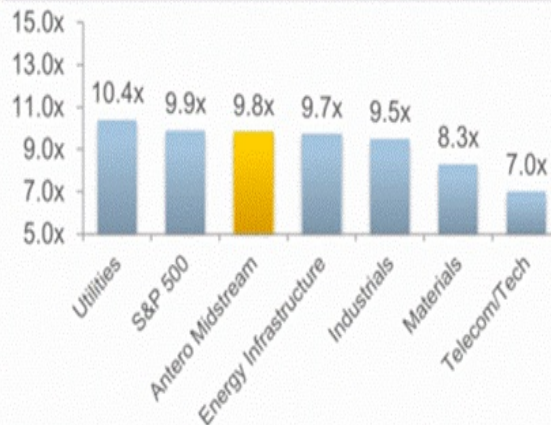


The energy sector and AM provide attractive combination of earnings growth and yield investment opportunity vs. other S&P 500 companies

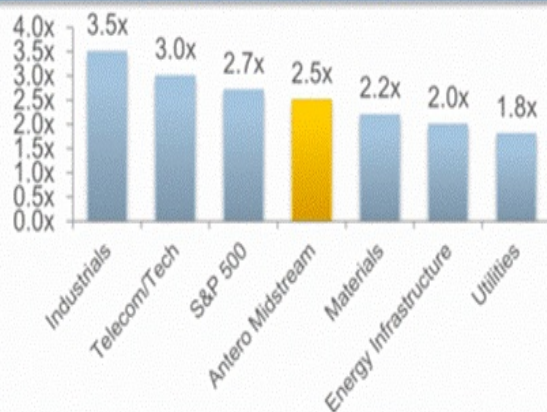
Price / 2019E Net Income (EPS)



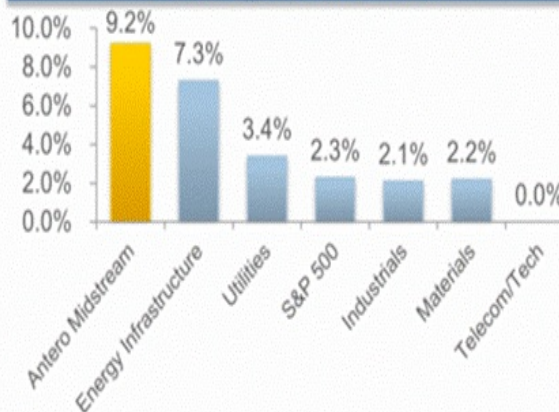
Enterprise Value / 2019E EBITDA



Price / Book Value



2019E Dividend Yield



Source: FactSet estimates as of 2/12/19. Represents median of all companies within S&P designated industry (GICs classification).
 Antero Midstream balance sheet data as of pro forma 12/31/18 detailed on page 39 and AMGP share price of \$13.34 as of 2/12/2019 to represent New AM share price.



Status Quo

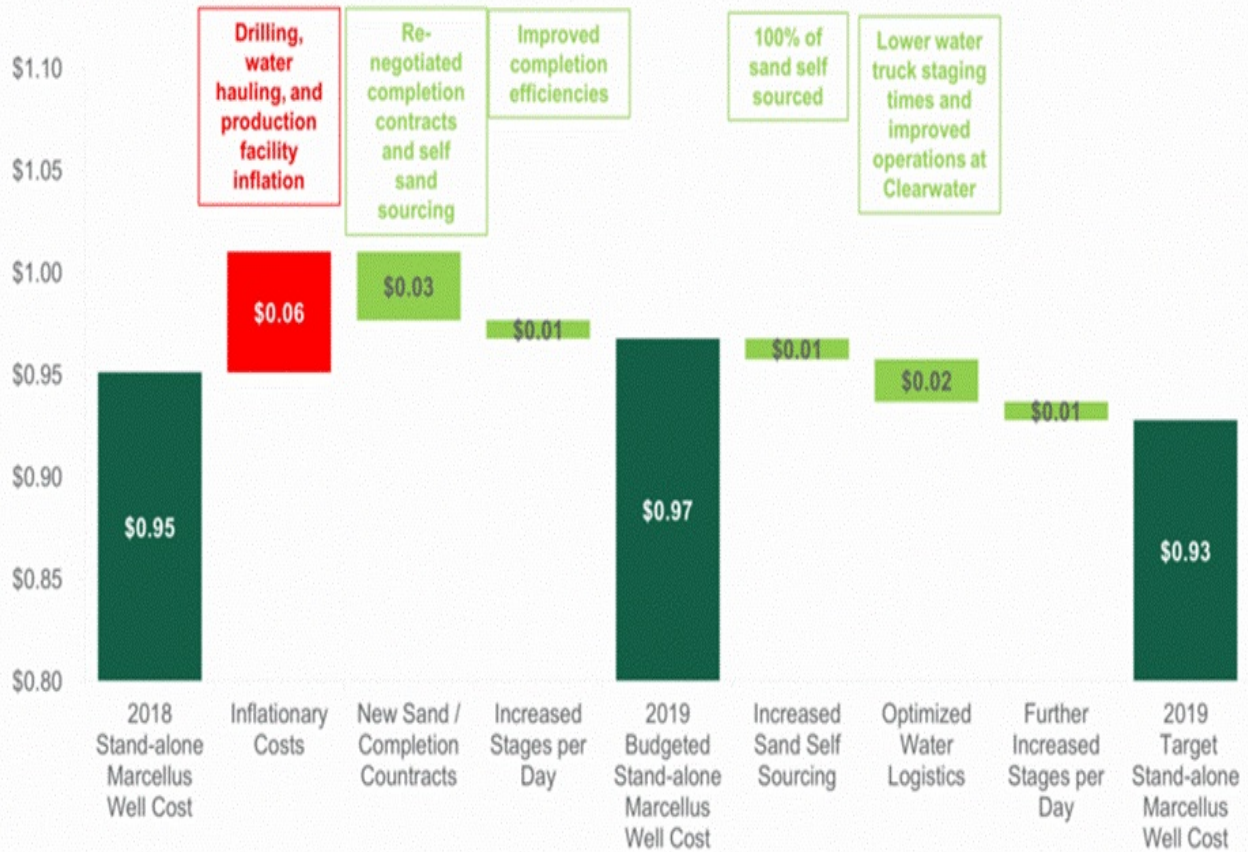
Pro Forma

	Antero Midstream	Antero Resources (Stand-alone)	Antero Resources (Consolidated)
As of December 31, 2018 (SMM)			
Cash	\$0	\$0	\$0
Debt			
Revolving Credit Facility	\$990	\$405	\$1,395
5.375% Senior Notes Due 2021		\$1,000	\$1,000
5.125% Senior Notes Due 2022		\$1,100	\$1,100
5.625% Senior Notes Due 2023		\$750	\$750
5.375% Senior Notes Due 2024	\$650		\$650
5.000% Senior Notes Due 2025		\$600	\$600
Net unamortized debt issuance costs	(\$8)	(\$25)	(\$33)
Total Debt	\$1,632	\$3,830	\$5,462
Net Debt (Total Debt - Cash)	\$1,632	\$3,830	\$5,462
LTM Adjusted EBITDA	\$717	\$1,717	\$2,037
Debt / LTM Adjusted EBITDA	2.3x	2.2x	2.7x
Credit Facility Capacity	\$1,500	\$2,500	
Liquidity	\$510	\$2,095	
Publicly Announced Pro Forma Adjustments to Net Debt Since December 31, 2018 (SMM)			
Cash Consideration for Simplification Transaction	\$598	(\$297)	\$301
Total Adjustments to Net Debt: Increase / (Decrease)	\$598	(\$297)	\$301
Pro Forma Net Debt	\$2,230	\$3,533	\$5,763
Pro Forma Debt / LTM Adjusted EBITDA	3.1x	2.1x	2.8x
Credit Facility Capacity	\$2,000	\$2,500	
Liquidity	\$412	\$2,392	



Through negotiating contracts and self sourcing sand, Antero was able to mitigate a majority of inflationary pressures on D&C capital for 2019

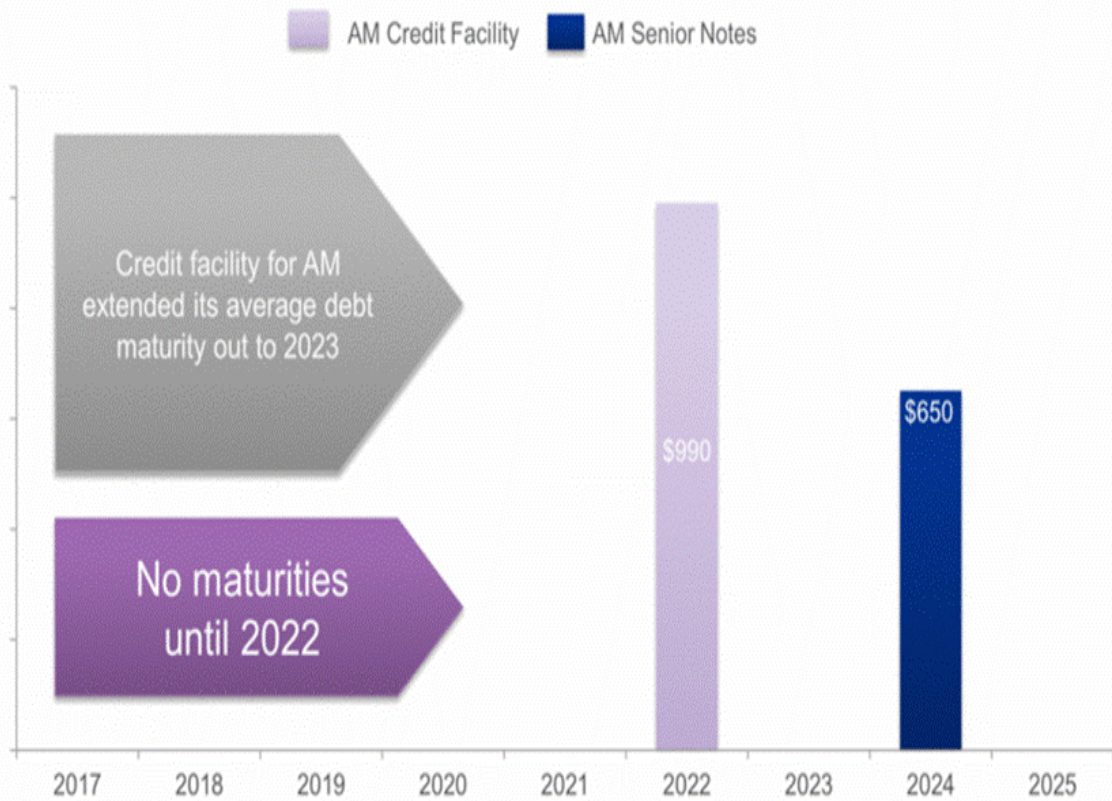
Antero Resources Stand-alone Marcellus Well Cost (\$MM/1,000' assuming 12,000' Lateral)



Note: Assumes 2,000 pound per foot completion.



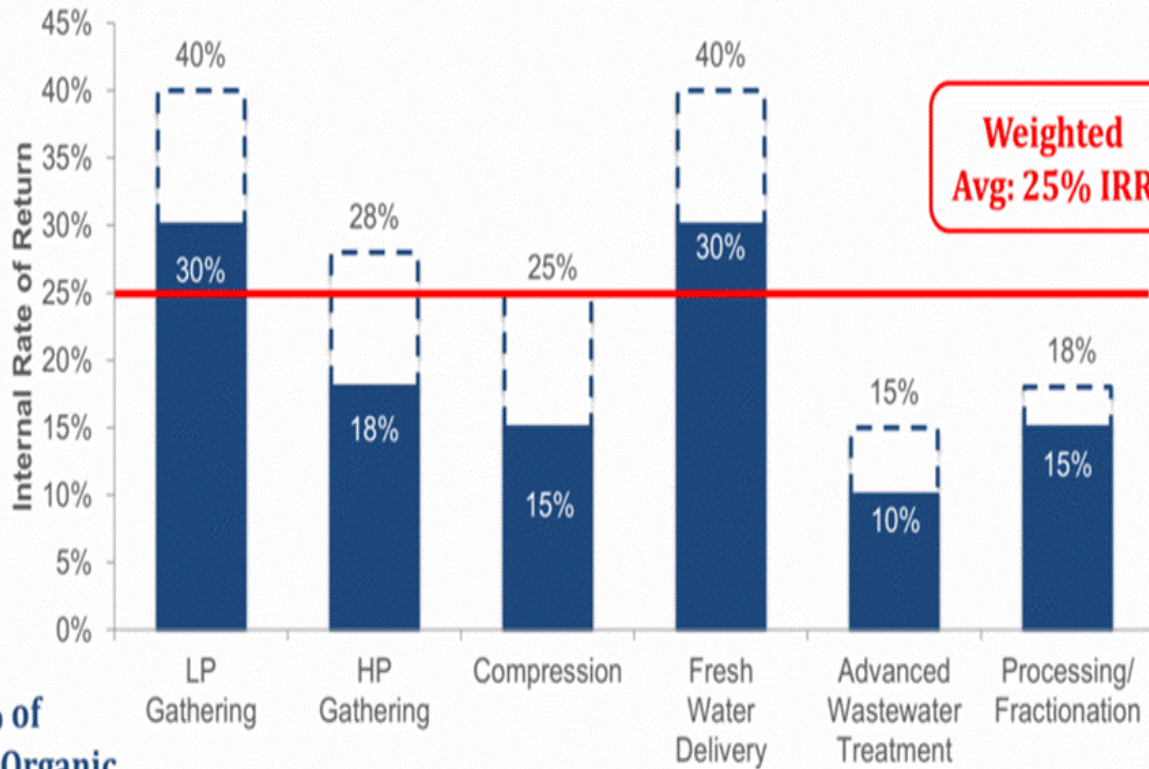
12/31/2018 Debt Maturity Profile





“Just-in-Time” capital investment philosophy drives attractive project IRR’s

AM Project Economics by Investment (Ranges)



**Weighted
Avg: 25% IRR**

**% of
4-year Organic
Project
Backlog**

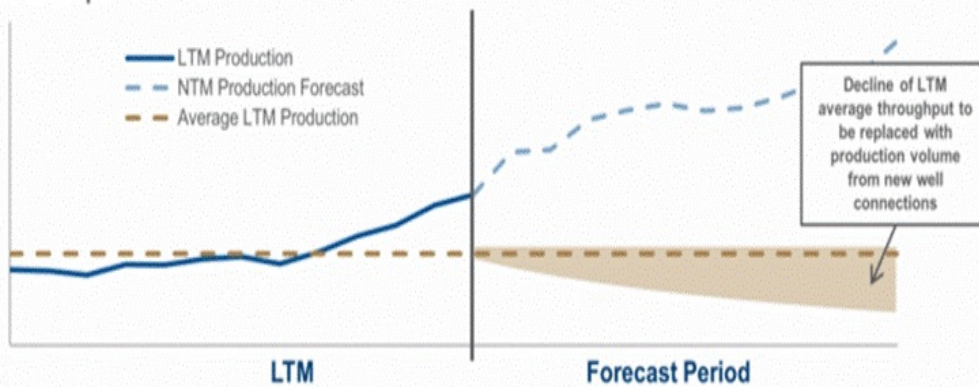
23%	11%	23%	18%	-	25%
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- **Maintenance Capital Calculation Methodology – Low Pressure Gathering**
 - Estimate the number of new well connections needed during the forecast period in order to offset the natural production decline and maintain the average throughput volume on our system over the LTM period
 - (1) Compare this number of well connections to the total number of well connections estimated to be made during such period, and
 - (2) Designate an equal percentage of our estimated low pressure gathering capital expenditures as maintenance capital expenditures
- **Maintenance Capital Calculation Methodology – Fresh Water Distribution**
 - Estimate the number of wells to which we would need to distribute fresh water during the forecast period in order to maintain the average fresh water throughput volume on our system over the LTM period
 - (1) Compare this number of wells to the total number of new wells to which we expect to distribute fresh water during such period, and
 - (2) Designate an equal percentage of our estimated water line capital expenditures as maintenance capital expenditures

Maintenance capital expenditures are cash expenditures (including expenditures for the construction or development of new capital assets or the replacement, improvement or expansion of existing capital assets) made to maintain, over the long term, our operating capacity or revenue

- **Illustrative Example**





Non-GAAP Financial Measures and Definitions

Antero Midstream views Adjusted EBITDA as an important indicator of the Partnership's performance. Antero Midstream defines Adjusted EBITDA as Net Income before interest expense, depreciation expense, impairment expense, accretion of contingent acquisition consideration, equity-based compensation expense, excluding equity in earnings of unconsolidated affiliates and including cash distributions from unconsolidated affiliates.

Antero Midstream uses Adjusted EBITDA to assess:

- the financial performance of the Partnership's assets, without regard to financing methods in the case of Adjusted EBITDA, capital structure or historical cost basis;
- its operating performance and return on capital as compared to other publicly traded partnerships in the midstream energy sector, without regard to financing or capital structure; and
- the viability of acquisitions and other capital expenditure projects.

The Partnership defines Distributable Cash Flow as Adjusted EBITDA less interest paid, income tax withholding payments and cash reserved for payments of income tax withholding upon vesting of equity-based compensation awards, cash reserved for bond interest and ongoing maintenance capital expenditures paid. Antero Midstream uses Distributable Cash Flow as a performance metric to compare the cash generating performance of the Partnership from period to period and to compare the cash generating performance for specific periods to the cash distributions (if any) that are expected to be paid to unitholders. Distributable Cash Flow does not reflect changes in working capital balances.

The Partnership defines Free Cash Flow as cash flow from operating activities before changes in working capital less capital expenditures. Management believes that Free Cash Flow is a useful indicator of the Partnership's ability to internally fund infrastructure investments, service or incur additional debt, and assess the company's financial performance and its ability to generate excess cash from its operations. Management believes that changes in operating assets and liabilities relate to the timing of cash receipts and disbursements and therefore may not relate to the period in which the operating activities occurred.

The Partnership defines Return on Invested Capital as net income plus interest expense divided by average total liabilities and partners' capital, excluding current liabilities. Management believes that Return on Invested Capital is a useful indicator of the Partnership's return on its infrastructure investments.

The Partnership defines Net Debt as total debt minus cash.

Antero Resources non-GAAP measures and definitions are included in the Antero Resources analyst day presentation, which can be found on www.anteroresources.com.

Adjusted EBITDA and DCF Reconciliation



Adjusted EBITDA and DCF Reconciliation (\$ in thousands)

	Three months ended		Years ended	
	December 31,		December 31,	
	2017	2018	2017	2018
Net income	\$ 64,155	\$ 248,609	\$ 307,315	\$ 585,944
Impairment of property and equipment	23,431	—	23,431	5,771
Change in fair value of contingent acquisition consideration	—	(105,872)	—	(105,872)
Adjusted Net Income	\$ 87,586	\$ 142,737	\$ 344,872	\$ 485,843
Interest expense, net	10,395	18,993	37,557	61,906
Depreciation	30,958	22,692	119,562	130,013
Accretion of contingent acquisition consideration	3,804	1,012	13,476	12,853
Accretion of asset retirement obligation	—	34	—	135
Equity-based compensation	6,847	4,467	27,283	21,073
Equity in earnings of unconsolidated affiliates	(7,307)	(12,448)	(20,194)	(40,280)
Distributions from unconsolidated affiliates	10,075	16,755	20,195	46,415
Gain on sale of assets – Antero Resources	—	—	—	(583)
Adjusted EBITDA	\$ 142,358	\$ 194,242	\$ 528,625	\$ 717,375
Interest paid	(4,136)	(9,268)	(46,666)	(62,844)
Decrease (increase) in cash reserved for bond interest ⁽¹⁾	(8,734)	(8,734)	291	0
Income tax withholding upon vesting of Antero Midstream Partners LP equity-based compensation awards ⁽²⁾	(514)	(1,029)	(5,945)	(5,529)
Maintenance capital expenditures ⁽³⁾	(12,063)	(7,988)	(55,159)	(52,729)
Distributable Cash Flow	\$ 116,911	\$ 167,223	\$ 421,146	\$ 596,273
Distributions Declared to Antero Midstream Holders				
Limited Partners	68,231	88,045	247,132	320,915
Incentive distribution rights	23,772	43,492	69,720	142,906
Total Aggregate Distributions	\$ 92,003	\$ 131,537	\$ 316,852	\$ 463,821
DCF coverage ratio	1.27x	1.27x	1.33x	1.29x

1) Cash reserved for bond interest expense on Antero Midstream's 5.375% senior notes outstanding during the period that is paid on a semi-annual basis on March 15th and September 15th of each year.

2) Estimate of current period portion of expected cash payment for income tax withholding attributable to vesting of Midstream LTIP equity-based compensation awards to be paid in the fourth quarter.

3) Maintenance capital expenditures represent the portion of our estimated capital expenditures associated with (i) the connection of new wells to our gathering and processing systems that we believe will be necessary to offset the natural production declines Antero Resources will experience on all of its wells over time, and (ii) water delivery to new wells necessary to maintain the average throughput volume on our systems.

Antero Midstream Non-GAAP Reconciliation



The following reconciles net income to Adjusted EBITDA and Distributable Cash Flow:

S in Thousands	2014				
	G&C Only	2014	2015	2016	2017
Net income	\$ 16,832	\$ 127,875	159,105	236,703	307,315
Interest expense, net	4,620	6,183	8,158	21,893	37,557
Impairment of property and equipment		—	—	—	23,431
Depreciation	36,789	53,029	86,670	99,861	119,562
Accretion and change in fair value of contingent acquisition consideration		—	3,333	16,489	13,476
Accretion of asset retirement obligations		—	—	—	—
Equity-based compensation	8,619	11,618	22,470	26,049	27,283
Equity in earnings of unconsolidated affiliates		—	—	-485	-20,194
Distributions from unconsolidated affiliates		—	—	7,702	20,195
Gain on sale of assets—Antero Resources		—	—	—	—
Gain on sale of assets—third-party	\$	\$	—	-3,859	—
Adjusted EBITDA	66,860	198,705	279,736	404,353	528,625
Pre-IPO net income attributed to parent		-98,219	—	—	—
Pre-IPO depreciation attributed to parent		-43,419	—	—	—
Pre-IPO equity-based compensation attributed to parent		-8,697	—	—	—
Pre-IPO interest expense attributed to parent		-5,358	—	—	—
Pre-Water Acquisition net income attributed to parent		-22,234	-40,193	—	—
Pre-Water Acquisition depreciation attributed to parent		-3,086	-18,767	—	—
Pre-Water Acquisition equity-based compensation attributed to parent		-654	-3,445	—	—
Pre-Water Acquisition interest expense attributed to parent		-359	-2,326	—	—
Adjusted EBITDA Attributable to the Partnership	\$ 66,860	\$ 16,679	215,005	404,353	528,625
Interest paid	-2,981	-331	-5,149	-13,494	-46,666
Increase (decrease) in cash reserved (paid) for bond interest	—	—	—	-10,481	291
Income tax withholding upon vesting of Antero Midstream Partners equity-based compensation awards	—	—	-4,806	-5,636	-5,945
Maintenance capital expenditures	-10,423	-1,157	-13,097	-21,622	-55,159
Distributable cash flow	\$ 53,456	\$ 15,191	191,953	353,120	421,146



Adjusted EBITDA and Distributable Cash Flow are non-GAAP financial measures. The GAAP measure most directly comparable to Adjusted EBITDA and Distributable Cash Flow is Net Income. The non-GAAP financial measures of Adjusted EBITDA and Distributable Cash Flow should not be considered as alternatives to the GAAP measure of Net Income. Adjusted EBITDA and Distributable Cash Flow are not presentations made in accordance with GAAP and have important limitations as an analytical tool because they include some, but not all, items that affect Net Income and Adjusted EBITDA. You should not consider Adjusted EBITDA and Distributable Cash Flow in isolation or as a substitute for analyses of results as reported under GAAP. Antero Midstream's definition of Adjusted EBITDA and Distributable Cash Flow may not be comparable to similarly titled measures of other partnerships.

Antero Midstream has not included a reconciliation of Adjusted EBITDA and Distributable Cash Flow to their nearest GAAP financial measure for 2019 because it cannot do so without unreasonable effort and any attempt to do so would be inherently imprecise. Antero Midstream is able to forecast the following reconciling items between Adjusted EBITDA and Distributable Cash Flow and net income (in thousands):

	Twelve Months Ending December 31, 2019			
		Low		High
Depreciation expense	\$	180,000	—	\$ 185,000
Equity based compensation expense		48,000	—	52,000
Equity in earnings of unconsolidated affiliates		68,000	—	73,000
Distributions from unconsolidated affiliates		87,000		92,000

The Partnership cannot forecast interest expense due to the timing and uncertainty of debt issuances and associated interest rates. Additionally, Antero Midstream cannot reasonably forecast impairment expense as the impairment is driven by a number of factors that will be determined in the future and are beyond Antero Midstream's control currently.



The following table reconciles consolidated total debt to consolidated net debt ("Net Debt") as used in this presentation (in thousands):

	<u>September 30, 2018</u>	
Bank credit facility	\$	875,000
5.375% AM senior notes due 2024		650,000
Net unamortized debt issuance costs		(8,146)
Consolidated total debt	\$	1,516,854
Cash and cash equivalents		—
Consolidated net debt	\$	1,516,854

The following table reconciles net income to Adjusted EBITDA for the twelve months ended September 30, 2018 as used in this presentation (in thousands):

	<u>Twelve Months Ended September 30, 2018</u>	
Net income	\$	401,491
Interest expense		53,307
Impairment of property and equipment expense		29,202
Depreciation expense		138,279
Accretion of contingent acquisition consideration		15,644
Accretion of asset retirement obligations		101
Equity-based compensation		23,453
Equity in earnings of unconsolidated affiliate		(35,139)
Distributions from unconsolidated affiliates		39,735
Gain on sale of asset – Antero Resources		(583)
Adjusted EBITDA	\$	665,490



Stand-alone Adjusted Operating Cash Flow and Free Cash Flow

Free Cash Flow as presented in this release and defined by the Company represents Stand-alone Adjusted Operating Cash Flow, less Stand-alone Drilling and Completion capital, less Land Maintenance Capital. Stand-alone Adjusted Operating Cash Flow represents net cash provided by operating activities that will be reported in the Parent column of Antero's guarantor footnote to its financial statements before changes in working capital items. Stand-alone Adjusted Operating Cash Flow is widely accepted by the investment community as a financial indicator of an oil and gas company's ability to generate cash to internally fund exploration and development activities and to service debt. Stand-alone Adjusted Operating Cash Flow is also useful because it is widely used by professional research analysts in valuing, comparing, rating and providing investment recommendations of companies in the oil and gas exploration and production industry. In turn, many investors use this published research in making investment decisions.

Management believes that Stand-alone Adjusted Operating Cash Flow and Free Cash Flow are useful indicators of the company's ability to internally fund its activities and to service or incur additional debt on a Stand-alone basis. Management believes that changes in current assets and liabilities, which are excluded from the calculation of these measures, relate to the timing of cash receipts and disbursements and therefore may not relate to the period in which the operating activities occurred and generally do not have a material impact on the ability of the company to fund its operations.

There are significant limitations to using Stand-alone Adjusted Operating Cash Flow and Free Cash Flow as measures of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect the company's net income on a Stand-alone basis, the lack of comparability of results of operations of different companies and the different methods of calculating Stand-alone Adjusted Operating Cash Flow and Free Cash Flow reported by different companies. Stand-alone Adjusted Operating Cash Flow and Free Cash Flow do not represent funds available for discretionary use because those funds may be required for debt service, land acquisitions and lease renewals, other capital expenditures, working capital, income taxes, exploration expenses, and other commitments and obligations.

Stand-alone Adjusted Operating Cash Flow and Free Cash Flow are not measures of financial performance under GAAP and should not be considered in isolation or as a substitute for cash flows from operating, investing, or financing activities, as an indicator of cash flows, or as a measure of liquidity.

Antero has not included reconciliations of Stand-alone Adjusted Operating Cash Flow and Free Cash Flow to their nearest GAAP financial measures because it cannot do so without unreasonable effort and any attempt to do so would be inherently imprecise.

Total Debt, Net Debt and Stand-alone Net Debt

Net Debt is calculated as total debt less cash and cash equivalents. Management uses Consolidated Net Debt and Stand-alone Net Debt to evaluate its financial position, including its ability to service its debt obligations.



Adjusted EBITDAX and Stand-alone Adjusted EBITDAX

Adjusted EBITDAX as defined by the Company represents net income or loss, including noncontrolling interests, before interest expense, interest income, derivative fair value gains or losses, but including net cash receipts or payments on derivative instruments included in derivative fair value gains or losses, taxes, impairments, depletion, depreciation, amortization, and accretion, exploration expense, equity-based compensation, gain or loss on early extinguishment of debt, and gain or loss on sale of assets. Adjusted EBITDAX also includes distributions from unconsolidated affiliates and excludes equity in earnings or losses of unconsolidated affiliates.

Stand-alone Adjusted EBITDAX as defined by the Company represents income or loss as reported in the Parent column of Antero's guarantor footnote to its financial statements before interest expense, interest income, gains or losses from commodity derivatives and marketing derivatives, but including net cash receipts or payments on derivative instruments included in derivative gains or losses, income taxes, impairments, depletion, depreciation, amortization, and accretion, exploration expense, equity-based compensation, gain or loss on early extinguishment of debt, gain or loss on sale of assets, equity in earnings or loss of Antero Midstream and gain or loss on changes in the fair value of contingent acquisition consideration. Stand-alone Adjusted EBITDAX also includes distributions received from limited partner interests in Antero Midstream common units.

The GAAP financial measure nearest to Adjusted EBITDAX is net income or loss including noncontrolling interest that will be reported in Antero's condensed consolidated financial statements. The GAAP financial measure nearest to Stand-alone Adjusted EBITDAX is Stand-alone net income or loss that will be reported in the Parent column of Antero's guarantor footnote to its financial statements. While there are limitations associated with the use of Adjusted EBITDAX and Stand-alone Adjusted EBITDAX described below, management believes that these measures are useful to an investor in evaluating the company's financial performance because these measures:

- are widely used by investors in the oil and gas industry to measure a company's operating performance without regard to items excluded from the calculation of such term, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired, among other factors;
- helps investors to more meaningfully evaluate and compare the results of Antero's operations (both on a consolidated and Stand-alone basis) from period to period by removing the effect of its capital structure from its operating structure; and
- is used by management for various purposes, including as a measure of Antero's operating performance (both on a consolidated and Stand-alone basis), in presentations to the company's board of directors, and as a basis for strategic planning and forecasting. Adjusted EBITDAX is also used by the board of directors as a performance measure in determining executive compensation. Adjusted EBITDAX, as defined by our credit facility, is used by our lenders pursuant to covenants under our revolving credit facility and the indentures governing the company's senior notes.

There are significant limitations to using Adjusted EBITDAX and Stand-alone Adjusted EBITDAX as measures of performance, including the inability to analyze the effect of certain recurring and non-recurring items that materially affect the company's net income on a consolidated and Stand-alone basis, the lack of comparability of results of operations of different companies and the different methods of calculating Adjusted EBITDAX reported by different companies. In addition, Adjusted EBITDAX and Stand-alone Adjusted EBITDAX provide no information regarding a company's capital structure, borrowings, interest costs, capital expenditures, and working capital movement or tax position.


Stand-alone LTM Adjusted EBITDAX Reconciliation

(in thousands)	Stand-alone Twelve months ended September 30,	
	<u>2018</u>	
Net income attributable to Antero Resources Corporation	\$	210,898
Commodity derivative fair value gains		(334,617)
Gains on settled commodity derivatives		344,917
Marketing derivative fair value gains		(72,687)
Gains on settled marketing derivatives		78,098
Interest expense		219,206
Loss on early extinguishment of debt		1,205
Income tax benefit		(397,638)
Depletion, depreciation, amortization, and accretion		787,598
Impairment of unproved properties		482,568
Impairment of gathering systems and facilities		4,470
Exploration expense		7,050
Gain on change in fair value of contingent acquisition consideration		(15,645)
Equity-based compensation expense		57,496
Equity in (earnings) loss of Antero Midstream		92,545
Distributions from Antero Midstream		149,292
Adjusted EBITDAX	\$	<u>1,614,756</u>



Stand-alone Adjusted EBITDAX per Mcfe Reconciliation (Annual)

	2013	2014	2015	2016	2017	1Q2018	2Q2018	3Q2018
<i>(\$/Mcfe)</i>								
Natural Gas, Oil, Ethane and NGL sales	\$ 4.31	\$ 4.74	\$ 2.53	\$ 2.60	\$ 3.35	\$ 3.56	\$ 3.35	\$ 3.70
Realized commodity derivative gains (losses)	\$ 0.86	\$ 0.37	\$ 1.57	\$ 1.48	\$ 0.26	\$ 0.47	\$ 0.42	\$ 0.28
Distributions from Antero Midstream	\$ -	\$ -	\$ 0.16	\$ 0.17	\$ 0.16	\$ 0.17	\$ 0.17	\$ 0.16
All-in E&P Revenue	\$ 5.17	\$ 5.10	\$ 4.27	\$ 4.25	\$ 3.77	\$ 4.21	\$ 3.94	\$ 4.15
Gathering, compression, processing, and transportation	\$ 1.25	\$ 1.46	\$ 1.56	\$ 1.70	\$ 1.75	\$ 1.80	\$ 1.79	\$ 1.77
Production and ad valorem taxes	0.24	0.23	0.14	0.10	0.11	0.12	0.11	0.12
Lease operating expenses	0.05	0.08	0.07	0.07	0.11	0.15	0.14	0.14
Net Marketing Expense / (Gain)	-	0.14	0.23	0.16	0.13	(0.27)	0.30	0.31
General and administrative (before equity-based compensation)	0.26	0.23	0.20	0.16	0.15	0.15	0.15	0.14
Total E&P Cash Costs	\$ 1.81	\$ 2.14	\$ 2.20	\$ 2.19	\$ 2.26	\$ 1.93	\$ 2.48	\$ 2.48
E&P EBITDAX Margin (All-in)	\$ 3.36	\$ 2.96	\$ 2.07	\$ 2.06	\$ 1.61	\$ 2.28	\$ 1.46	\$ 1.68
Production Volumes (Bcfe)	191	368	545	676	822	214	229	250
<i>\$ Millions</i>								
Natural Gas, Oil, Ethane and NGL sales	\$ 821	\$ 1,741	\$ 1,379	\$ 1,757	\$ 2,751	\$ 762	\$ 768	\$ 925
Realized commodity derivative gains (losses)	164	136	857	1,003	214	101	96	71
Distributions from Antero Midstream			89	112	132	36	39	41
All-in E&P Revenue	\$ 985	\$ 1,877	\$ 2,324	\$ 2,872	\$ 3,097	\$ 900	\$ 903	\$ 1,037
Gathering, compression, processing, and transportation	239	537	853	1,146	1,441	384	410	443
Production and ad valorem taxes	46	86	77	69	91	25	25	29
Lease operating expenses	9	28	36	51	94	31	32	35
Net Marketing Expense / (Gain)	-	50	123	106	108	(59)	69	78
General and administrative (before equity-based compensation)	50	86	108	110	119	31	33	34
Total E&P Cash Costs	\$ 345	\$ 786	\$ 1,196	\$ 1,483	\$ 1,853	\$ 413	\$ 569	\$ 619

 Corrected Transcript

14-Feb-2019

Antero Midstream Partners LP (AM)

Q4 2018 Earnings Call

CORPORATE PARTICIPANTS

Michael N. Kennedy

Chief Financial Officer & Senior Vice President-Finance, Antero Midstream Partners LP

Paul M. Rady

Chairman & Chief Executive Officer, Antero Midstream Partners LP

MANAGEMENT DISCUSSION SECTION

Good day, and welcome to the Antero Midstream Partners LP Fourth Quarter and Year-End 2018 Earnings Conference Call. All participants will be in listen-only mode. [Operator Instructions] After today's presentation there will be an opportunity to ask questions. [Operator Instructions] Please note, this event is being recorded.

I would now like to turn the conference over to Michael Kennedy, CFO and Senior Vice President, Finance. Please, go ahead.

Michael N. Kennedy

Chief Financial Officer & Senior Vice President-Finance, Antero Midstream Partners LP

Thank you for joining us for Antero Midstream's fourth quarter 2018 investor conference call. We'll spend a few minutes going through the financial and operating highlights, and then we'll open it up for Q&A. I would also like to direct you to the home page of our new website at www.anteromidstream.com or www.anteromidstream.mgp.com where we have provided a separate earnings call presentation that will be reviewed during today's call.

Before we start our comments, I would first like to remind you that during this call, Antero management will make forward-looking statements. Such statements are based on our current judgments regarding factors that will impact the future performance of Antero Resources, Antero Midstream and AMGP and are subject to a number of risks and uncertainties, many of which are beyond Antero's control. Actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements.

Today's call may also contain certain non-GAAP financial measures. Please refer to our earnings press release for important disclosures regarding such measures, including reconciliations to the most comparable GAAP financial measures.

Joining me on the call today are Paul Rady, Chairman and CEO of Antero Resources and Antero Midstream; and Glen Warren, President and CFO of Antero Resources and President of Antero Midstream.

Before I turn the call over to Paul, I wanted to briefly touch on the simplification transaction timeline on slide number 4. As you are aware, on October 9, AMGP announced a definitive agreement to acquire AM in a stock and cash transaction. On January 31, AMGP and AM each mailed proxy statements to their respective shareholders and unitholders.

For registered holders, the deadline for electing a cash versus stock consideration is March 4 at 5:00 PM Eastern Time, and the deadline for voting electronically or by telephone is March 7 at 11:59 PM Eastern time. If you hold AM units or AMGP shares through a bank, broker or other nominee, you should follow the instructions provided by them.

All AMGP shareholders and AM unitholders of record as of the close of business on January 11 will be entitled to vote the AMGP common shares and the AM common units, respectively. The special meetings for AMGP shareholders and AM unitholders to approve the simplification transaction are scheduled for March 8 and we expect the transaction to close on March 12. We encourage all of our shareholders and unitholders to vote and we remain very excited about the outlook of New AM.

With that, I'll turn the call over to Paul.

Paul M. Rady

Chairman & Chief Executive Officer, Antero Midstream Partners LP

Thanks, Mike. I'll begin my comments on slide number 5 titled, Long-Term Outlook-AR. As previously disclosed, AR is targeting a 10% to 15% production growth CAGR through 2023. This target range is based on commodity price scenarios of \$50 oil and \$2.85 gas on the low-end, and \$65 oil and \$3.15 gas on the high-end. Importantly, all of AR's firm transportation portfolio is now in service, providing the visibility to continue to grow production and access diverse and premium price markets. Looking ahead, Antero Resources will continue to maintain a flexible development plan, targeting drilling and completion capital budgets within cash flow to maintain balance sheet strength, ultimately benefiting New AM.

Slide number 6 titled, Long-Term Outlook New AM, illustrates the DCF growth at New AM from the same AR production growth outlook. New AM is targeting DCF growth of 18% to 25% through cal 2022 at the low-end and high-end of the outlook ranges, respectively. Because of the visibility and flexible just in time capital investment, both scenarios result in delevering the balance sheet into the low to mid 2 times range. This DCF growth supports a growing return of capital as illustrated on slide number 7.

The gray bar on the left hand side of the page represents New AM's 2019 dividend guidance of \$1.24 per share or just over \$600 million in total dividends. The blue lines represent New AM's DCF CAGR versus consensus growth CapEx in orange.

As you can see, after the major infrastructure investments in 2019, including gathering and freshwater trunklines supporting growth in Tyler and Wetzel Counties in West Virginia, the capital budget moderates as AM leverages the existing infrastructure. This moderating capital budget relative to DCF growth results in excess cash flow available for increasing the dividends, share repurchases, delevering and capital retention for organic growth CapEx.

Now, let's move on to slide number 8 titled Capital Budget and Major Projects. As illustrated on the pie chart on the left hand side of the page, AM has budgeted a capital investment of \$775 million at the midpoint of the guidance range, including \$710 million of expansion capital and \$65 million of maintenance capital. The budget includes approximately \$400 million of investment in gathering and compression infrastructure, primarily in the Marcellus Shale in West Virginia to support production growth in the liquids-rich regime.

On the map, on the right hand side of the page, you can see that 2019 include significant growth capital to build out the gathering trunklines into Tyler and Wetzel counties in West Virginia. Looking beyond 2019, AM will leverage these trunklines and build low-pressure gathering lines that feed directly into the trunklines and deliver

gas to the Sherwood and Smithburg processing plants. Importantly, future low-pressure capital is flexible and just in time based on AR's development plan, resulting in efficient capital investment and [ph] high-teens (8:28) returns on invested capital.

I would also point out that because of the visibility and integration between A&R – AR and AM, AR does not curtail any gas as a result of gathering infrastructure constraints as AM appropriately sizes all pipelines and infrastructure to meet production forecasts. This integration is critical in shale development and further illustrates the benefits of Antero's integrated model.

Moving on to the fresh water side, AM budgeted an investment of \$135 million for fresh water delivery infrastructure, including expansion capital for an additional withdrawal point and associated trunklines as shown on the map on the right hand side of the page. Similar to the gathering pipelines, AM will leverage these trunklines to service future well completions in Tyler and Wetzel County. AM has a track record of servicing wells on time, a track record of 100% with its fresh water delivery system, another example of the benefits of Antero's integrated model.

The 2019 budget also includes \$200 million for the joint venture with MPLX, primarily for the construction of two additional processing plants, adding an additional 400 million cubic feet a day of processing capacity. The 2019 MPLX joint venture budget also includes the election to participate in the Hopedale 4 fractionation plant, adding an additional 20,000 barrels a day of capacity that we originally budgeted for 2018. Lastly, the budget includes approximately \$35 million for the final milestone payments related to the completion of the Antero Clearwater facility.

In summary, 2019 sets us up to deliver on our visible organic growth plan over the next few years, with AR focused on highly economic liquids-rich locations in the Marcellus.

With that, I'll turn the call over to Mike.

Michael N. Kennedy

Chief Financial Officer & Senior Vice President-Finance, Antero Midstream Partners LP

Thank you, Paul. Before getting into my AM comments, I'd like to briefly touch on AR's announcement of deconsolidating AM from a financial reporting perspective. For those that were able to listen into the AR conference call, AR announced the plans to no longer consolidate AM on its GAAP financial statements upon closing of the simplification transaction, though it would rather record its interest in AM through the equity method of accounting.

In our view, we believe this will greatly improve the transparency and disclosure for AR on a standalone E&P basis and enable investors to more easily compare and contrast AR with its peers. The announcement has no impact on New AM's reporting and AR will still own approximately 30% of New AM upon closing of the simplification transaction. Paul mentioned this in his comments, but we continue to believe in the benefits of the integrated model and coordinated efforts between our upstream and midstream businesses.

Now, moving on to AM beginning on slide number 9 titled, Long Track Record of Success. We recently announced an AM distribution of \$0.47 per unit, a 29% increase year-over-year and a 7% increase sequentially. The fourth quarter distribution at AM was the 16th consecutive distribution increase since its IPO. For the full year 2018, AM had a distribution of \$1.72 per unit or \$0.94 when converted into a New AM share as illustrated on the slide.

AM continued its trend of outperformance on DCF coverage in 2018, generating 1.3 times DCF coverage, well in excess of the IPO DCF coverage target of 1.1 times to 1.2 times. We are very proud of this achievement and resiliency of the Antero Midstream business model through the commodity downturn. As depicted on the slide, our dividend guidance for New AM in 2019 is \$1.24 per share, representing approximately a 9% yield on today's share price.

Now, let's move on to the fourth quarter operational results, beginning with slide number 10 titled High Growth Year-Over-Year Midstream Throughput. All of our gathering, compression, processing and fractionation volumes represented record highs for AM during the fourth quarter of 2018. Starting in the top left portion of the page, low pressure gathering volumes were 2.6 Bcf per day in the fourth quarter, which represents a 52% increase from the prior year quarter.

Compression volumes during the quarter averaged 2.2 Bcf per day, a 63% increase compared to the prior year quarter, compression capacity was 93% utilized during the fourth quarter. Joint venture gross processing volumes averaged nearly 800 MMcf per day, an 87% increase compared to the prior year quarter. Joint venture gross fractionation volumes were nearly 19,000 barrels per day, 105% increase over the prior quarter.

Fresh water delivery volumes averaged 136,000 barrels per day, a 9% decrease over the prior year quarter. This decline was driven by a reduction in completion activities at AR as expected and communicated on the third quarter earnings call.

Looking ahead to 2019, we expect continued growth as we increase compression capacity by 360 MMcf per day, processing capacity by 400 MMcf per day, and cumulative JV fractionation capacity by 20,000 barrels per day.

Moving on to financial results, adjusted EBITDA for the fourth quarter was \$194 million, up 36% income – increase compared to the prior year quarter. The increase in adjusted EBITDA was primarily driven by increased throughput volumes. Distributable cash flow for the fourth quarter was \$167 million, resulting in a healthy DCF coverage ratio of 1.3 times.

For the full year 2018, adjusted EBITDA and distributable cash flow were \$770 million and \$596 million, respectively, also resulting in DCF coverage of 1.3 times. Our adjusted EBITDA DCF distribution growth and DCF coverage were all within our 2018 guidance ranges.

During the fourth quarter, Antero Midstream invested \$109 million in gathering infrastructure and \$20 million in water handling infrastructure. In addition to the gathering and water, AM invested \$45 million in the processing and fractionation joint venture during the fourth quarter.

Moving onto the balance sheet and liquidity, as of December 31, 2018, Antero Midstream had \$990 million drawn on its \$2 billion revolving credit facility, resulting in \$1 billion in liquidity and a net debt to LTM EBITDA ratio of 2.3 times.

Next, I'll direct you to slide number 11 titled Organic Strategy Drives Attractive Return on Capital to discuss results of our record throughput volumes and disciplined capital investment. As depicted on the right hand side of the page, AM generated an 18% return on invested capital or ROIC in 2018. ROIC has always been a focus for Antero Midstream and will continue to be a focus as we transition into New AM. Organic strategy avoiding the competitive acquisition markets and focusing on projects where AR drives the volumetric growth continues to deliver results and we expect to generate attractive returns on invested capital in the high teens over the next few years.

I'll finish my comments with an outlook on New AM given the recent announcement of the expected closing date of the simplification transaction. As depicted on slide number 12 titled Highest DCF Growth Among Top 20 Midstream Entities, New AM will be one of the top 20 midstream companies by market capitalization. In the chart, red font indicates midstream companies that are structured as C-corps and the asterisks indicate companies have eliminated IDRs.

Of that peer group, New AM is expected to have the highest DCF growth among the top 20 infrastructure C-corps at the midpoint of its 18% to 25% distribution CAGR range from 2020 to 2022. In addition, New AM will have a strong balance sheet with pro forma leverage in the low 3 times range, declining over time.

In summary, New AM will be a best-in-class midstream corporation with pure leading DCF growth, low leverage, a simplified no IDR structure, C-corp governance and broad market appeal.

With that operator, we are ready to take questions.

QUESTION AND ANSWER SECTION

Operator: We will now begin the question-and-answer session. [Operator Instructions]

There are no questions at this time.

Michael N. Kennedy

Chief Financial Officer & Senior Vice President-Finance, Antero Midstream Partners LP

Great. Well, thank you, everyone, for joining us today. If there are any questions please feel free to reach out to us and thanks again for joining us.

Operator: The conference has now concluded, thank you for attending today's presentation. You may now disconnect your lines. Have a great day.

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Fourth Quarter 2018 Earnings Presentation

February 14, 2019





No Offer or Solicitation

This presentation includes a discussion of a proposed simplification transaction (the "Transaction") between Antero Midstream Partners LP ("AM" or the "Partnership") and Antero Midstream GP LP ("AMGP"). This presentation is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, in any jurisdiction, pursuant to the transaction or otherwise, nor shall there be any sale, issuance, exchange or transfer of the securities referred to in this document in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Additional Information And Where To Find It

In connection with the transaction, AMGP has filed with the U.S. Securities and Exchange Commission (the "SEC") a registration statement on Form S-4, that includes a joint proxy statement of AM and AMGP and a prospectus of AMGP. The transaction will be submitted to AM's unitholders and AMGP's shareholders for their consideration. AM and AMGP may also file other documents with the SEC regarding the transaction. The registration statement on Form S-4 became effective on January 30, 2019, and the definitive joint proxy statement/prospectus is being delivered to Antero Midstream unitholders and AMGP shareholders of record as of January 11, 2019. This document is not a substitute for the registration statement and joint proxy statement/prospectus that has been filed with the SEC or any other documents that AMGP or Antero Midstream may file with the SEC or send to shareholders of AMGP or unitholders of Antero Midstream in connection with the transaction. INVESTORS AND SECURITY HOLDERS OF ANTERO MIDSTREAM AND AMGP ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION AND ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TRANSACTION AND RELATED MATTERS.

Investors and security holders are able to obtain free copies of the registration statement and the joint proxy statement/prospectus and all other documents filed or that will be filed with the SEC by AMGP or AM through the website maintained by the SEC at <http://www.sec.gov>. Copies of documents filed with the SEC by AM will be made available free of charge on AM's website at <http://investors.anteromidstream.com/investor-relations/AM>, under the heading "SEC Filings," or by directing a request to Investor Relations, Antero Midstream Partners LP, 1615 Wynkoop Street, Denver, Colorado 80202, Tel. No. (303) 357-7310. Copies of documents filed with the SEC by AMGP will be made available free of charge on AMGP's website at <http://investors.anteromidstreamgp.com/Investor-Relations/AMGP> or by directing a request to Investor Relations, Antero Midstream GP LP, 1615 Wynkoop Street, Denver, Colorado 80202, Tel. No. (303) 357-7310.



Forward-Looking Statements:

This presentation includes "forward-looking statements" within the meaning of federal securities laws. Such forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond AM and AMGP's control. All statements, other than historical facts included in this presentation, are forward-looking statements. All forward-looking statements speak only as of the date of this presentation and are based upon a number of assumptions. Without limiting the generality of the foregoing, forward-looking statements contained in this presentation specifically include the expected consideration to be received in connection with the closing of the transaction, the timing of consummation of the transaction, if at all, the extent of the accretion, if any, to AMGP shareholders and AM unitholders, pro forma AM dividend and Distributable Cash Flow ("DCF") coverage targets, estimated pro forma AM dividend compound annual growth rates ("CAGR") and leverage metrics, the effect that the elimination of the IDRs and Series B Units will have on Antero Midstream's cost of capital, New AM's growth opportunities following the consummation of the transaction, including with respect to its organic project backlog, the pro forma dividend and DCF coverage ratio targets for New AM, AR's estimated production, AR's expected future growth and AR's ability to meet its drilling and development plan. Although AM and AMGP each believe that the plans, intentions and expectations reflected in or suggested by the forward-looking statements are reasonable, there is no assurance that the assumptions underlying these forward-looking statements will be accurate or the plans, intentions or expectations expressed herein will be achieved. For example, future acquisitions, dispositions or other strategic transactions may materially impact the forecasted or targeted results described in this presentation. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in such statements. Nothing in this presentation is intended to constitute guidance with respect to Antero Resources.

AM and AMGP caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond the AM's and AMGP's control, incident to the gathering and processing and fresh water and waste water treatment businesses. These risks include, but are not limited to, Antero Resources' expected future growth, Antero Resources' ability to meet its drilling and development plan, commodity price volatility, ability to execute AM's business strategy, competition and government regulations, actions taken by third-party producers, operators, processors and transporters, inflation, environmental risks, drilling and completion and other operating risks, regulatory changes, the uncertainty inherent in projecting future rates of production, cash flow and access to capital, the timing of development expenditures, and the other risks described under "Risk Factors" in AM's Annual Report on Form 10-K for the year ended December 31, 2018. Any forward-looking statement speaks only as of the date on which such statement is made, and neither AMGP nor AM undertakes any obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

This presentation includes certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These measures include (i) Adjusted EBITDA, (ii) Distributable Cash Flow, (iii) Return on Invested Capital and (iv) Net Debt. Please see the appendix for the definition of each of these measures as well as certain additional information regarding these measures, including the most comparable financial measures calculated in accordance with GAAP.



Midstream Simplification has been approved by the AM and AMGP Conflicts Committees and by the AR Special Committee

Transaction Timeline	
October 9, 2018	Simplification transaction announced
January 31, 2019	Proxy statements mailed to AM unitholders and AMGP shareholders
March 4, 2019	Deadline for electing merger consideration is 5:00 P.M. (ET)⁽¹⁾
March 7, 2019	Deadline for voting electronically or by telephone is 11:59 P.M. (ET)⁽¹⁾
March 8, 2019	Special meeting of AM unitholders and AMGP shareholders to approve simplification transaction
March 12, 2019	Transaction expected to close

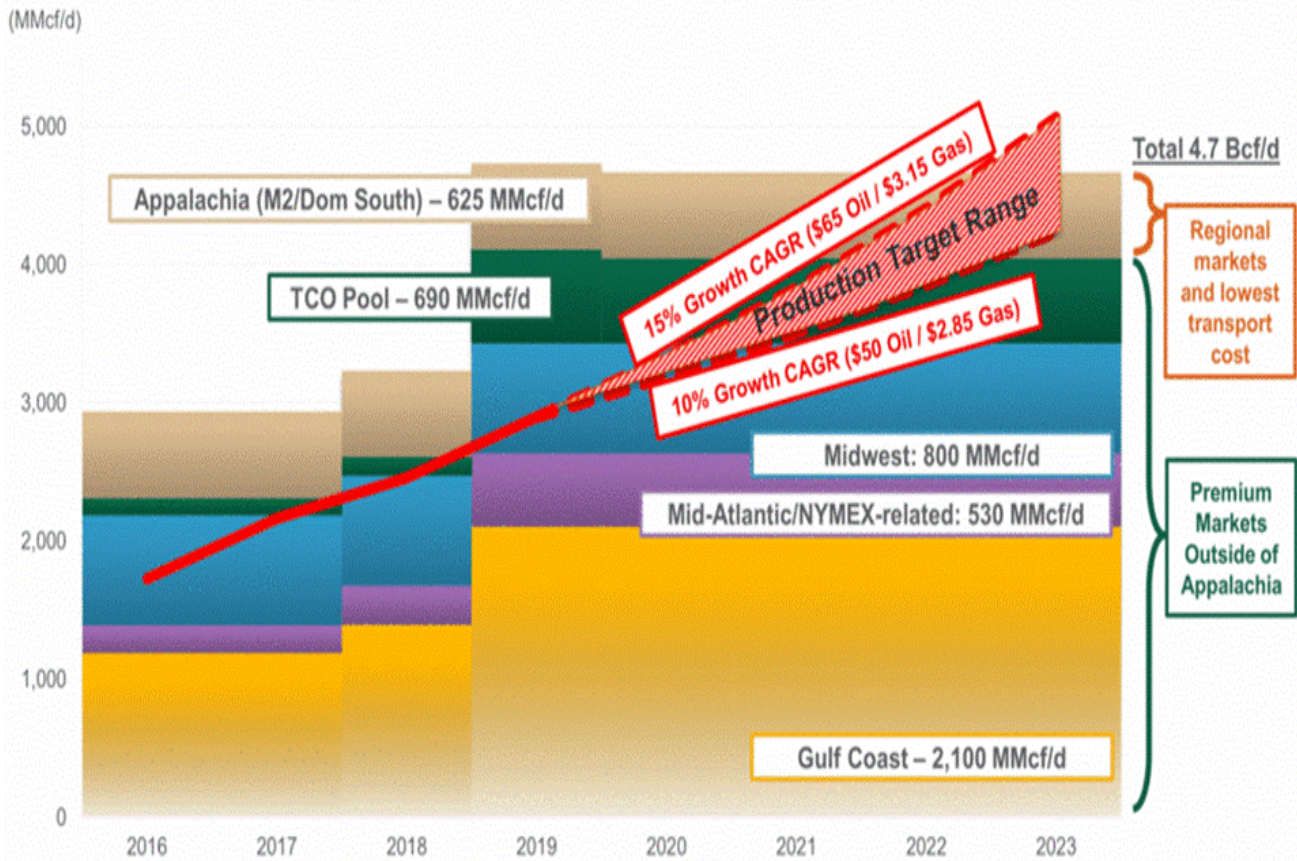
Please vote your AM units and AMGP shares

1) Deadline for registered holders. If you hold AM units or AMGP shares in the name of a bank, broker or other nominee, you should follow the instructions provided by your bank, broker or other nominee.



All of Antero Resources' contracted firm capacity is now in service, providing visible production growth and sales to diversified markets

Antero Resources Firm Transportation Portfolio vs. Gross Gas Production (MMcf/d)

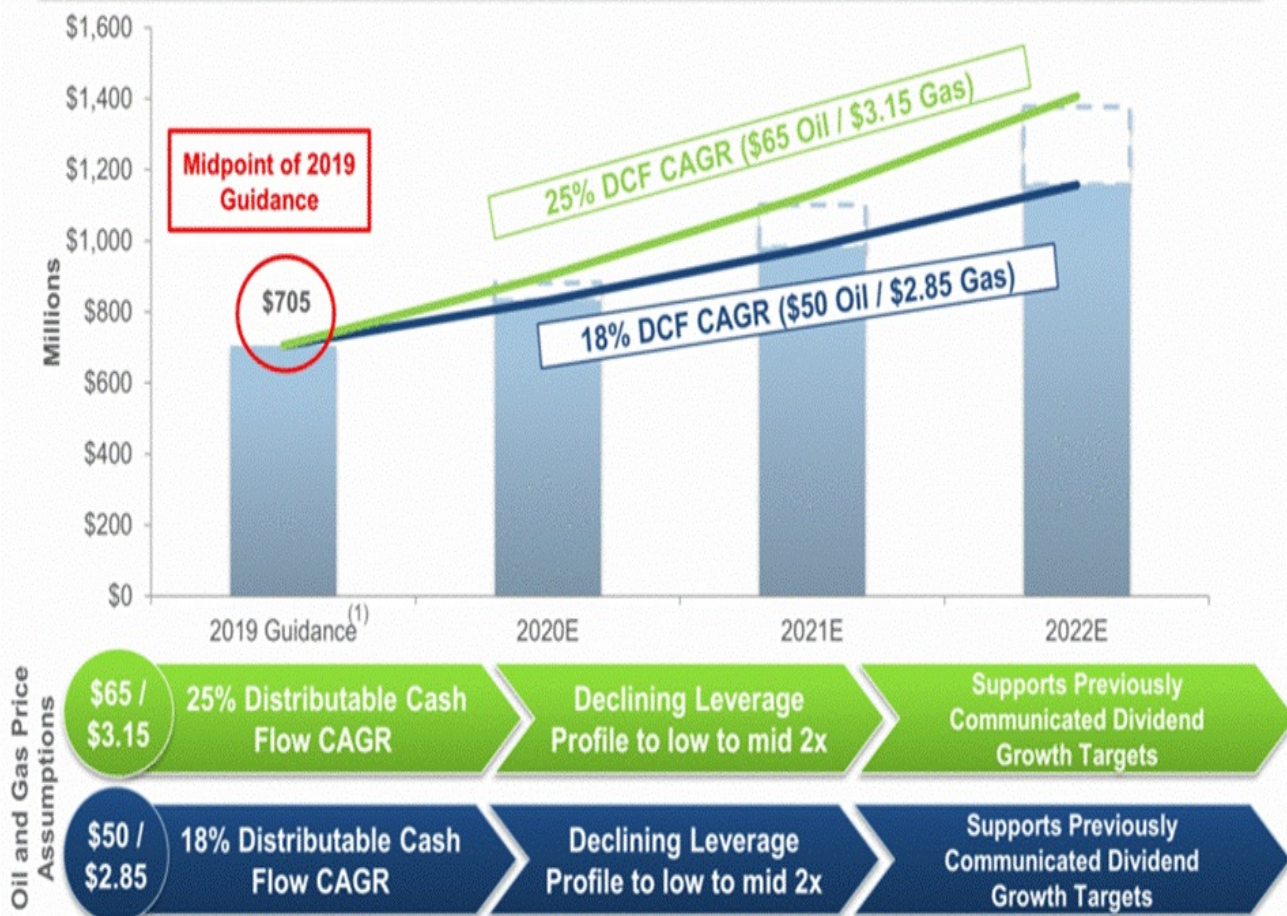


1) 2019 natural gas volume assumes midpoint of 2019 guidance and has been grossed up for 83% net revenue interest and an 1100 BTU factor. Outer years assume 10% or 15% year-over-year growth thereafter.

Long-Term Outlook – New AM

Based on AR's flexible long-term outlook, AM is targeting an 18% - 25% distributable cash flow (DCF) CAGR from 2020 to 2022

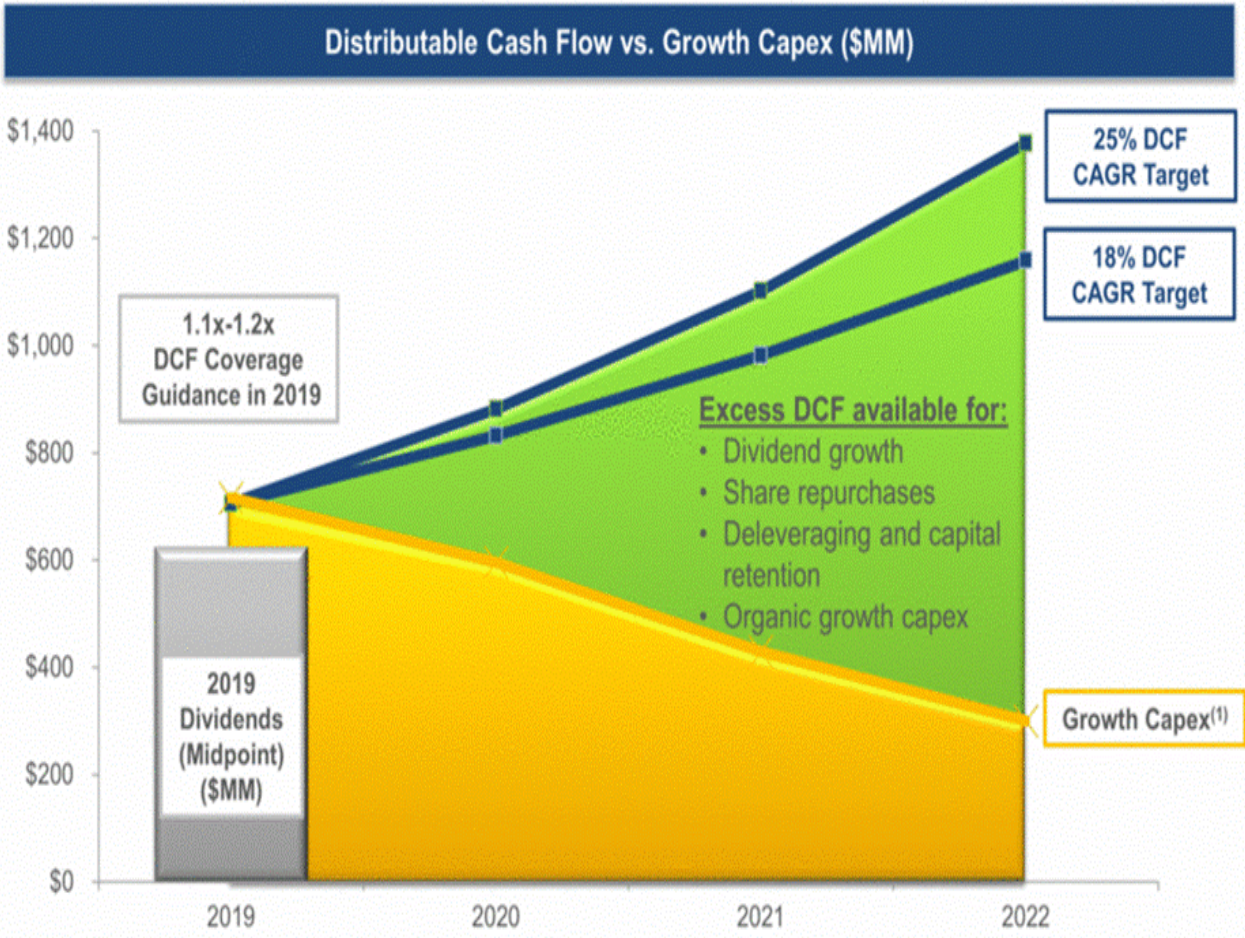
New AM Distributable Cash Flow Growth Scenarios (2020 – 2022)



Note: Distributable cash flow is a non-GAAP metric – see appendix for details. DCF CAGR ranges apply to midpoint of 2019 production guidance.
 1) Based on the midpoint of 2019 distributable cash flow guidance.

DCF Profile Supports Growing Return of Capital

Antero Midstream's distributable cash flow growth, self-funding business model, and leverage profile supports an increase in return of capital to shareholders

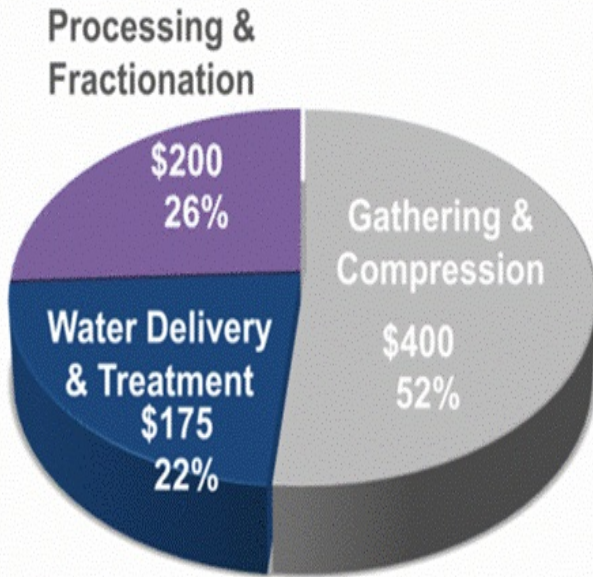


Note: Distributable Cash Flow is a Non-GAAP measure. For additional information regarding these measures, please see appendix. Dividends and DCF targets pro forma for simplification transaction expected to close in March 2019.

1. Growth capex based on FactSet consensus estimates as of 2/1/2019.

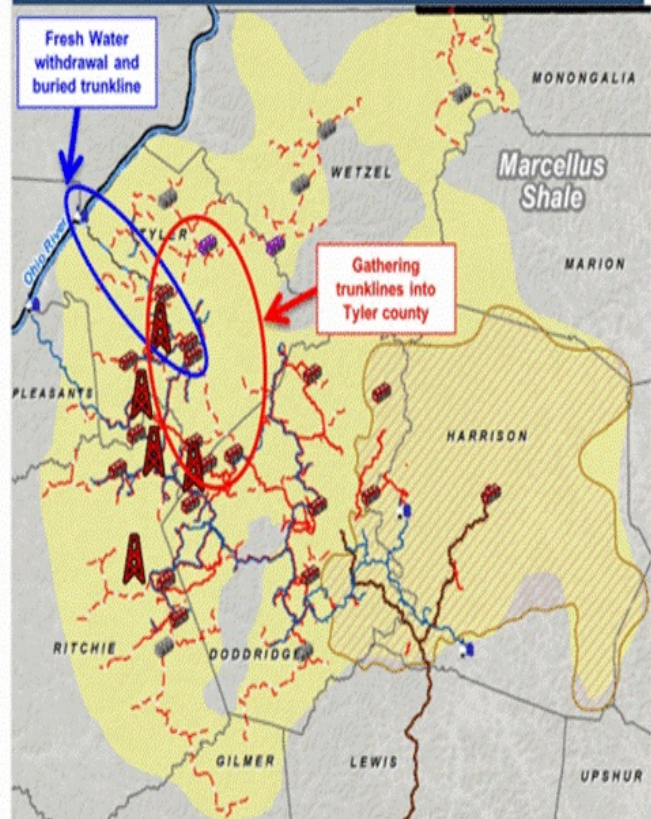
2019 organic capital budget fully funded with retained cash flow and credit facility borrowings → no need for equity financing

Capital Expenditures (\$MM)



Capital Budget: \$775MM

Marcellus Project Map

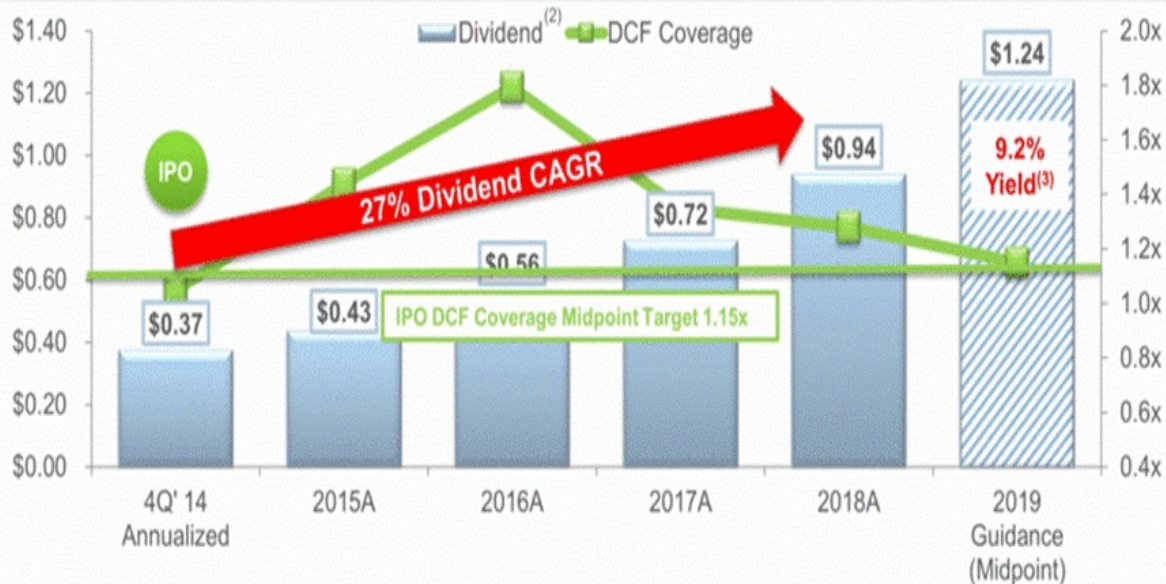


Long Track Record Of Success



Antero Midstream has delivered a 27% dividend CAGR through the downturn and exceeded DCF coverage targets by 22% on average since the IPO

New AM Dividend Per Share and DCF Coverage Since IPO

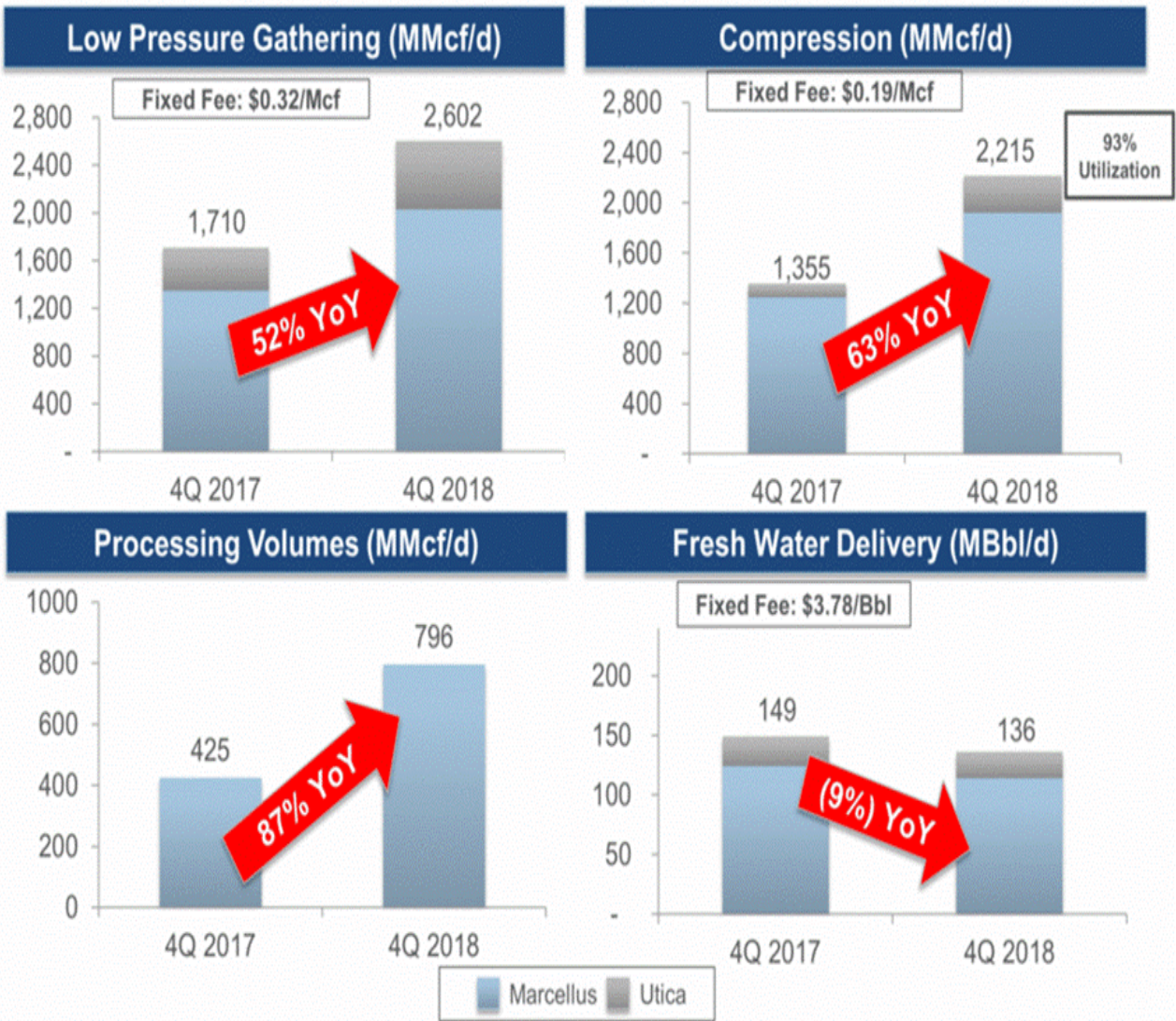


	IPO Year - 2014	2019 Guidance	
Adjusted EBITDA ⁽¹⁾ :	\$67 MM	\$870 MM - \$920 MM	+1,235%
Distributable Cash Flow ⁽¹⁾ :	\$53 MM	\$680 MM - \$730 MM	+1,201%

1) Adjusted EBITDA and Distributable Cash Flow are non-GAAP measures. For additional information regarding these measures, please see "Antero Midstream Non-GAAP Measures" in the Appendix.
 2) Historical dividends adjusted for pending simplification transaction based on 1.832x share exchange ratio assuming 100% equity consideration for public AM unitholders on announcement date of October 9, 2018.
 3) Based on share price of \$13.34 per unit as of 2/12/2019.

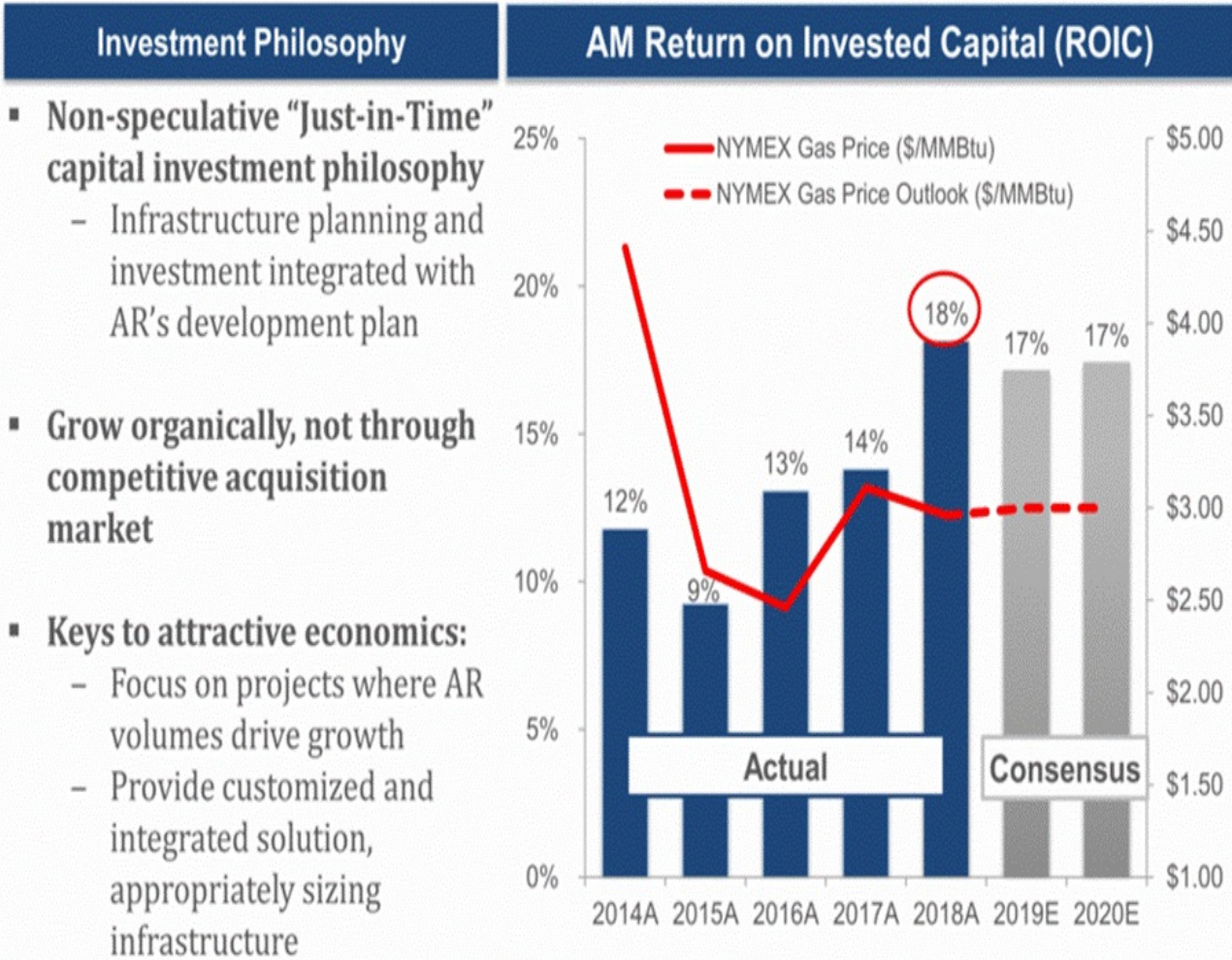
High Growth Year-Over-Year Midstream Throughput

Record gathering, compression, processing and fractionation volumes in 4Q18



Organic Strategy Drives Attractive Return on Capital

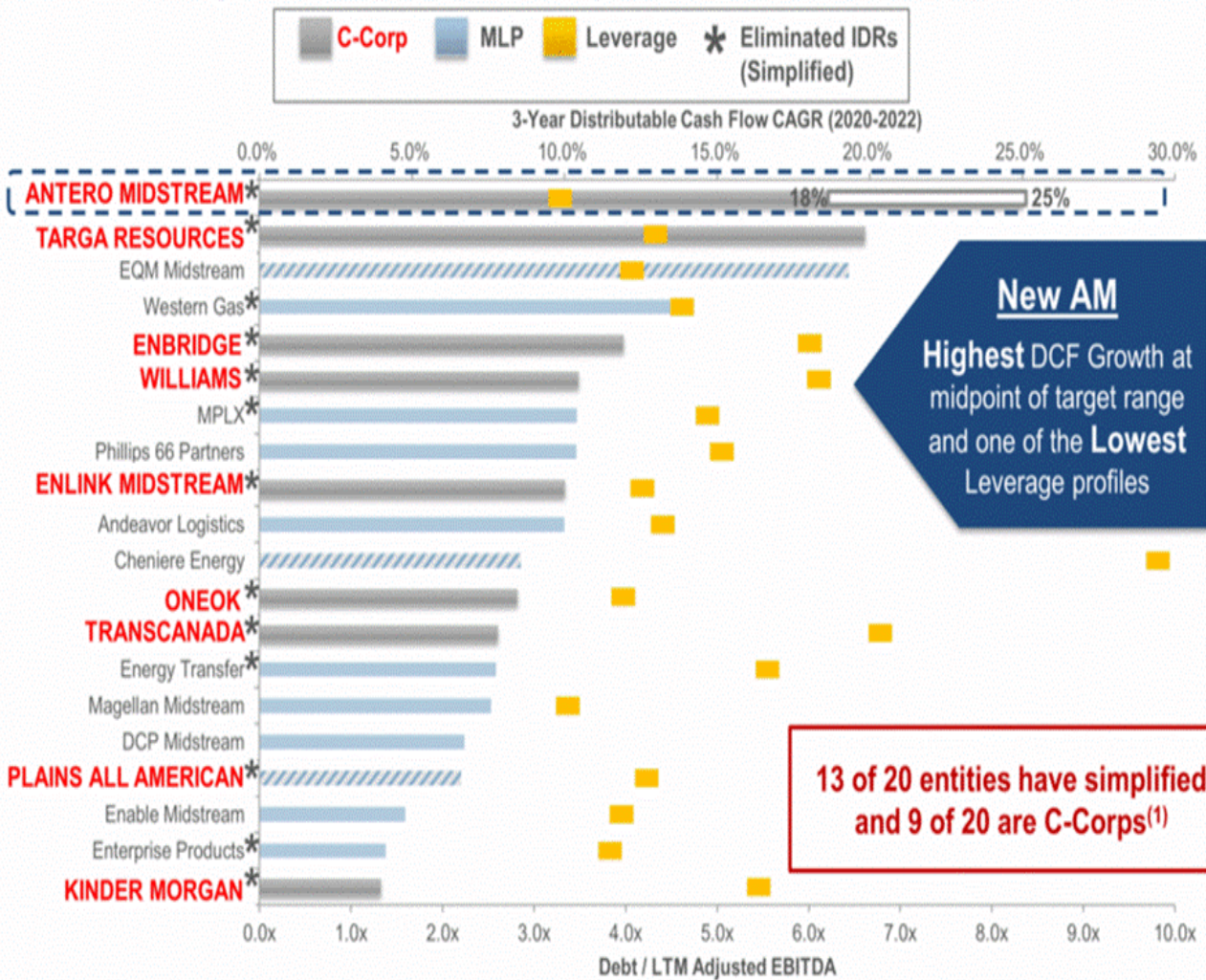
Fixed-fee tolling business combined with “Just-in-Time” capital investment drives attractive returns on capital across commodity environments



Source: FactSet consensus as of 02/12/19. Return on invested capital is a non-GAAP measure. For additional information regarding this measure, please see “Antero Midstream Non-GAAP Measures” in the Appendix. Note: NYMEX gas price outlook based on midpoint of Antero Resources pricing assumptions of \$50-\$65 per barrel WTI oil prices and \$2.85-\$3.15 per MMBtu NYMEX natural gas prices beginning in 2020.

Highest DCF Growth Among Top 20 Midstream Entities

New AM will be a unique midstream vehicle with scale, low leverage and high distributable cash flow growth all in a C-Corp structure



1) Includes entities with both a publicly traded C-Corp and partnership, designated in striped blue/gray. Based on debt / LTM EBITDA as of 9/30/18 for peers and 12/31/18 for pro forma New AM
 Source: FactSet. Top 20 midstream companies by market capitalization as of 2/12/2019. Pro forma for announced combination or simplification transactions that haven't closed including WES/WGP and AM/AMGP.



APPENDIX



Status Quo

Pro Forma



As of December 31, 2018 (SMM)	Antero Midstream	Antero Resources (Stand-alone)	Antero Resources (Consolidated)
Cash	\$0	\$0	\$0
Debt			
Revolving Credit Facility	\$990	\$405	\$1,395
5.375% Senior Notes Due 2021		\$1,000	\$1,000
5.125% Senior Notes Due 2022		\$1,100	\$1,100
5.625% Senior Notes Due 2023		\$750	\$750
5.375% Senior Notes Due 2024	\$650		\$650
5.000% Senior Notes Due 2025		\$600	\$600
Net unamortized debt issuance costs	(\$8)	(\$25)	(\$33)
Total Debt	\$1,632	\$3,830	\$5,462
Net Debt (Total Debt - Cash)	\$1,632	\$3,830	\$5,462
LTM Adjusted EBITDA	\$717	\$1,717	\$2,037
Debt / LTM Adjusted EBITDA	2.3x	2.2x	2.7x
Credit Facility Capacity	\$1,500	\$2,500	
Liquidity	\$510	\$2,095	
Publicly Announced Pro Forma Adjustments to Net Debt Since December 31, 2018 (SMM)			
Cash Consideration for Simplification Transaction	\$598	(\$297)	\$301
Total Adjustments to Net Debt: Increase / (Decrease)	\$598	(\$297)	\$301
Pro Forma Net Debt	\$2,230	\$3,533	\$5,763
Pro Forma Debt / LTM Adjusted EBITDA	3.1x	2.1x	2.8x
Credit Facility Capacity	\$2,000	\$2,500	
Liquidity	\$412	\$2,392	



Non-GAAP Financial Measures and Definitions

Antero Midstream views Adjusted EBITDA as an important indicator of the Partnership's performance. Antero Midstream defines Adjusted EBITDA as Net Income before interest expense, depreciation expense, impairment expense, accretion of contingent acquisition consideration, equity-based compensation expense, excluding equity in earnings of unconsolidated affiliates and including cash distributions from unconsolidated affiliates.

Antero Midstream uses Adjusted EBITDA to assess:

- the financial performance of the Partnership's assets, without regard to financing methods in the case of Adjusted EBITDA, capital structure or historical cost basis;
- its operating performance and return on capital as compared to other publicly traded partnerships in the midstream energy sector, without regard to financing or capital structure; and
- the viability of acquisitions and other capital expenditure projects.

The Partnership defines Distributable Cash Flow as Adjusted EBITDA less interest paid, income tax withholding payments and cash reserved for payments of income tax withholding upon vesting of equity-based compensation awards, cash reserved for bond interest and ongoing maintenance capital expenditures paid. Antero Midstream uses Distributable Cash Flow as a performance metric to compare the cash generating performance of the Partnership from period to period and to compare the cash generating performance for specific periods to the cash distributions (if any) that are expected to be paid to unitholders. Distributable Cash Flow does not reflect changes in working capital balances.

The Partnership defines Return on Invested Capital as net income plus interest expense divided by average total liabilities and partners' capital, excluding current liabilities. Management believes that Return on Invested Capital is a useful indicator of the Partnership's return on its infrastructure investments.

The Partnership defines Net Debt as total debt minus cash.



The following table reconciles consolidated total debt to consolidated net debt ("Net Debt") as used in this presentation (in thousands):

	<u>December 31, 2018</u>	
Bank credit facility	\$	990,000
5.375% AM senior notes due 2024		650,000
Net unamortized debt issuance costs		(7,853)
Consolidated total debt	\$	1,632,147
Cash and cash equivalents		—
Consolidated net debt	\$	1,632,147

The following table reconciles net income to Adjusted EBITDA for the twelve months ended December 31, 2018 as used in this presentation (in thousands):

	<u>Twelve Months Ended December 31, 2018</u>	
Net income	\$	585,944
Impairment of property and equipment		5,771
Change in fair value of contingent acquisition consideration		(105,872)
Net income	\$	485,843
Interest expense		61,906
Depreciation expense		130,013
Accretion of contingent acquisition consideration		12,853
Accretion of asset retirement obligations		135
Equity-based compensation		21,073
Equity in earnings of unconsolidated affiliate		(40,280)
Distributions from unconsolidated affiliates		46,415
Gain on sale of asset – Antero Resources		(583)
Adjusted EBITDA	\$	717,375

Adjusted EBITDA and DCF Reconciliation



Adjusted EBITDA and DCF Reconciliation (\$ in thousands)

	Three months ended		Years ended	
	December 31,		December 31,	
	2017	2018	2017	2018
Net income	\$ 64,155	\$ 248,609	\$ 307,315	\$ 585,944
Impairment of property and equipment	23,431	—	23,431	5,771
Change in fair value of contingent acquisition consideration	—	(105,872)	—	(105,872)
Adjusted Net Income	\$ 87,586	\$ 142,737	\$ 344,872	\$ 485,843
Interest expense, net	10,395	18,993	37,557	61,906
Depreciation	30,958	22,692	119,562	130,013
Accretion of contingent acquisition consideration	3,804	1,012	13,476	12,853
Accretion of asset retirement obligation	—	34	—	135
Equity-based compensation	6,847	4,467	27,283	21,073
Equity in earnings of unconsolidated affiliates	(7,307)	(12,448)	(20,194)	(40,280)
Distributions from unconsolidated affiliates	10,075	16,755	20,195	46,415
Gain on sale of assets – Antero Resources	—	—	—	(583)
Adjusted EBITDA	\$ 142,358	\$ 194,242	\$ 528,625	\$ 717,375
Interest paid	(4,136)	(9,268)	(46,666)	(62,844)
Decrease (increase) in cash reserved for bond interest ⁽¹⁾	(8,734)	(8,734)	291	0
Income tax withholding upon vesting of Antero Midstream Partners LP equity-based compensation awards ⁽²⁾	(514)	(1,029)	(5,945)	(5,529)
Maintenance capital expenditures ⁽³⁾	(12,063)	(7,988)	(55,159)	(52,729)
Distributable Cash Flow	\$ 116,911	\$ 167,223	\$ 421,146	\$ 596,273
Distributions Declared to Antero Midstream Holders				
Limited Partners	68,231	88,045	247,132	320,915
Incentive distribution rights	23,772	43,492	69,720	142,906
Total Aggregate Distributions	\$ 92,003	\$ 131,537	\$ 316,852	\$ 463,821
DCF coverage ratio	1.27x	1.27x	1.33x	1.29x

1) Cash reserved for bond interest expense on Antero Midstream's 5.375% senior notes outstanding during the period that is paid on a semi-annual basis on March 15th and September 15th of each year.

2) Estimate of current period portion of expected cash payment for income tax withholding attributable to vesting of Midstream LTIP equity-based compensation awards to be paid in the fourth quarter.

3) Maintenance capital expenditures represent the portion of our estimated capital expenditures associated with (i) the connection of new wells to our gathering and processing systems that we believe will be necessary to offset the natural production declines Antero Resources will experience on all of its wells over time, and (ii) water delivery to new wells necessary to maintain the average throughput volume on our systems.

Antero Midstream Non-GAAP Reconciliation



The following reconciles net income to Adjusted EBITDA and Distributable Cash Flow:

S in Thousands	2014				
	G&C Only	2014	2015	2016	2017
Net income	\$ 16,832	\$ 127,875	159,105	236,703	307,315
Interest expense, net	4,620	6,183	8,158	21,893	37,557
Impairment of property and equipment		—	—	—	23,431
Depreciation	36,789	53,029	86,670	99,861	119,562
Accretion and change in fair value of contingent acquisition consideration		—	3,333	16,489	13,476
Accretion of asset retirement obligations		—	—	—	—
Equity-based compensation	8,619	11,618	22,470	26,049	27,283
Equity in earnings of unconsolidated affiliates		—	—	-485	-20,194
Distributions from unconsolidated affiliates		—	—	7,702	20,195
Gain on sale of assets—Antero Resources		—	—	—	—
Gain on sale of assets—third-party	\$	\$	—	-3,859	—
Adjusted EBITDA	66,860	198,705	279,736	404,353	528,625
Pre-IPO net income attributed to parent		-98,219	—	—	—
Pre-IPO depreciation attributed to parent		-43,419	—	—	—
Pre-IPO equity-based compensation attributed to parent		-8,697	—	—	—
Pre-IPO interest expense attributed to parent		-5,358	—	—	—
Pre-Water Acquisition net income attributed to parent		-22,234	-40,193	—	—
Pre-Water Acquisition depreciation attributed to parent		-3,086	-18,767	—	—
Pre-Water Acquisition equity-based compensation attributed to parent		-654	-3,445	—	—
Pre-Water Acquisition interest expense attributed to parent		-359	-2,326	—	—
Adjusted EBITDA Attributable to the Partnership	\$ 66,860	\$ 16,679	215,005	404,353	528,625
Interest paid	-2981	-331	-5,149	-13,494	-46,666
Increase (decrease) in cash reserved (paid) for bond interest	—	—	—	-10,481	291
Income tax withholding upon vesting of Antero Midstream Partners equity-based compensation awards	—	—	-4,806	-5,636	-5,945
Maintenance capital expenditures	-10,423	-1,157	-13,097	-21,622	-55,159
Distributable cash flow	\$ 53,456	\$ 15,191	191,953	353,120	421,146



Adjusted EBITDA and Distributable Cash Flow are non-GAAP financial measures. The GAAP measure most directly comparable to Adjusted EBITDA and Distributable Cash Flow is Net Income. The non-GAAP financial measures of Adjusted EBITDA and Distributable Cash Flow should not be considered as alternatives to the GAAP measure of Net Income. Adjusted EBITDA and Distributable Cash Flow are not presentations made in accordance with GAAP and have important limitations as an analytical tool because they include some, but not all, items that affect Net Income and Adjusted EBITDA. You should not consider Adjusted EBITDA and Distributable Cash Flow in isolation or as a substitute for analyses of results as reported under GAAP. Antero Midstream's definition of Adjusted EBITDA and Distributable Cash Flow may not be comparable to similarly titled measures of other partnerships.

Antero Midstream has not included a reconciliation of Adjusted EBITDA and Distributable Cash Flow to their nearest GAAP financial measure for 2019 through 2022 because it cannot do so without unreasonable effort and any attempt to do so would be inherently imprecise. Antero Midstream is able to forecast the following reconciling items between Adjusted EBITDA and Distributable Cash Flow and net income (in thousands):

	Twelve Months Ending December 31, 2019			
		Low		High
Depreciation expense	\$	180,000	—	\$ 185,000
Equity based compensation expense		48,000	—	52,000
Equity in earnings of unconsolidated affiliates		68,000	—	73,000
Distributions from unconsolidated affiliates		87,000		92,000

The Partnership cannot forecast interest expense due to the timing and uncertainty of debt issuances and associated interest rates. Additionally, Antero Midstream cannot reasonably forecast impairment expense as the impairment is driven by a number of factors that will be determined in the future and are beyond Antero Midstream's control currently.