

Monarch Resource Partners Completes Second Equity Capital Raise Following Tremendous Success with Their Electric Drive Compression Solution

COLLEGE STATION, TEXAS (August X, 2023) – In June 2023, Monarch Resource Partners LLC (“Monarch” or “Company”) successfully completed its second equity capital raise which provides Monarch with additional growth capital to meet robust demand and continue to build the industry’s leading 100% electric drive gas compression company. The follow-on equity raise was provided by existing investors, anchored by Table Rock Group and Appareo Capital, and includes numerous seasoned energy industry executives. In conjunction with the follow-on equity raise, Monarch closed on a new significantly larger senior credit facility led by Texas Capital Bank and syndicated with Woodforest National Bank, Susser Bank, Bank of Texas, and First Horizon Bank to provide additional growth capital for the Company.

“Texas Capital is pleased to serve as lead arranger for Monarch Resource Partners’ new debt capital financing,” said Victor Tekell, Managing Director, Head of Houston Middle Market Banking at Texas Capital Bank. “The Monarch management team has a proven track record of success and Texas Capital is excited to assist the company in achieving its growth objectives.”

The equity raise was substantially oversubscribed and provides strong support for Monarch to further solidify itself as the natural gas compression industry leader, focused on transitioning to a more sustainable and environmentally responsible contract compression service offering for the Oil & Gas industry.

About Monarch

Monarch was founded in February 2021 by Brett Schubert - President and CEO, Randy Garcia - Vice President of Operations, and Kolten Kelley - Vice President of Sales.

Monarch provides natural gas contract compression services with its zero-emission electric drive EcoFlex™ compressor fleet. The Company’s EcoFlex™ fleet now serves a blue-chip customer base including several of the largest operators in the Permian Basin and has recently expanded to the Eagle Ford. Monarch also provides contract operations for customer owned compression as well as turnkey solutions for compressor facility design and construction.

Monarch’s EcoFlex™ compressor package utilizes an exclusive E-Skid™ design allowing customers to take advantage of a modular variable frequency drive solution not before offered in the contract gas compression industry. “Our EcoFlex™ fleet provides customers with increased volumetric flexibility, superior reliability, and an ESG compression alternative that eliminates the greenhouse gas (GHG) emissions of a traditional gas-drive compression package,” said Schubert. “While we are excited about the technology we are offering, internally we remain focused on a vision of providing our team and customers consistent, exceptional service in a work environment that focuses on family, professional growth, and pride in the product/service we deliver.”



About the Capital Raise

“We are extremely excited to continue our partnership with a diverse and industry-savvy investor group that brings a wealth of knowledge, wisdom, and a wide network of support to the team. The addition to our bank syndicate allows us to continue to provide a valuable compression solution to our growing customer base.” - Brett Schubert, President and CEO of Monarch

“Monarch is very excited about the launch of our new five-member bank ABL credit facility, led by Texas Capital Bank. Texas Capital Bank has established itself as a trusted leader in the Compression Industry ABL market, and they bring a wealth of knowledge, experience, and integrity to the Team. Woodforest National Bank and Susser Bank, both valued partners in our previous credit facility, are both participating in our new ABL credit facility and continue to be vital to Monarch’s financial future. Finally, we are thrilled to welcome The Bank of Texas and First Horizon Bank as our newest banking partners, both of which represent valued additions to our Team.” - Carlos Rodriguez, CFO of Monarch

“Two years ago, we were excited to back a team with a proven track record and a vision to build a world class company. Monarch has demonstrated its value in the market and with its customers to be a disrupter in the oilfield while playing a critical role in decarbonization efforts of some of the largest operators in the industry. With this latest round of growth capital, Monarch has the ability to accelerate the buildout of electric infrastructure to keep pace with the tremendous growth of both new and existing customer demand for a cleaner, more efficient, and more reliable compression solution.” - Jerad McMayon, Managing Partner of Table Rock Group

“Appareo Capital is thrilled to continue our support of Monarch and its best-in-class management team. Monarch has proven that its EcoFlex™ solution is cost effective, reliable, and ESG friendly (with a dramatic reduction in emissions). Monarch has been rewarded with long-term contracts provided by some of the largest producers in the Permian Basin. The EcoFlex solution has also proven to have significantly lower cost of operations than the legacy, gas-fired alternative.” - Todd Binet, Principal and Founder of Appareo Capital

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