

**CHARTER OF THE  
AUDIT COMMITTEE OF  
THE BOARD OF DIRECTORS OF  
MONTAGE RESOURCES CORPORATION**

(Adopted on February 28, 2019)

**1. Purposes**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Montage Resources Corporation (the “Company”) is established by the Board for the primary purpose of assisting the Board in overseeing:

- the Company’s accounting and financial reporting processes and the integrity of its financial statements;
- the audits of the Company’s financial statements and the appointment, compensation, qualifications, independence and performance of the Company’s independent auditors;
- the Company’s compliance with legal and regulatory requirements;
- the performance of the Company’s internal audit function, internal accounting controls, disclosure controls and procedures and internal control over financial reporting; and
- the Company’s compliance with ethical standards adopted by the Company.

The Committee also has the purpose of preparing the audit committee report that the rules of the Securities and Exchange Commission (the “SEC”) require the Company to include in its annual proxy statement.

The Committee’s principal responsibility is one of oversight only and does not relieve management of its responsibilities to (1) make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) devise and maintain an effective system of internal accounting controls; (3) devise and maintain effective disclosure controls and procedures and internal control over financial reporting; and (4) prepare financial statements that fairly present the financial condition, results of operations and cash flows of the Company, and further does not relieve the Company’s independent auditors of their responsibilities relating to the audit or review of the Company’s financial statements.

**2. Composition**

- A. *Membership.* The Committee must consist of at least three directors. Unless the Board has designated a chairperson of the Committee, the members of the Committee may designate a chairperson by majority vote.
- B. *Independence.* All Committee members must have been determined by the Board to be independent, as defined and to the extent required in the applicable SEC rules and listing standards of The New York Stock Exchange, as they may be amended from time to time (the “listing standards”), for purposes of audit committee membership.
- C. *Financial literacy.* Each Committee member must be financially literate upon appointment to the Committee, as determined by the Board in accordance with the listing standards. At

all times, there should be at least one Committee member who, as determined by the Board, is an audit committee financial expert as defined in the SEC rules.

- D. *Education.* The Company may assist the Committee in maintaining the appropriate financial literacy, and is responsible for providing the Committee (at their request) with educational resources related to accounting principles and procedures, current accounting topics pertinent to the Company and other related matters. The Company may also provide new members of the Committee with educational opportunities and appropriate orientation briefings.
- E. *Appointment.* Subject to any requirements of the listing standards, the Board may appoint and remove Committee members in accordance with the Company's bylaws. Committee members will serve for such terms as the Board may fix, and in any case at the Board's will, whether or not a specific term is fixed.
- F. *Service on other audit committees.* The Company does not limit the number of public company audit committees on which a Committee member serves, but if a member does serve on more than two other public company audit committees, the Board must have determined that this simultaneous service would not impair the member's ability to serve on the Company's audit committee, and the Company must disclose this determination in its proxy statement for the Company's annual meeting of stockholders.

### **3. Independent auditors and their services**

- A. *Overall authority.* The Committee has the sole authority and direct responsibility for the appointment, compensation, retention, termination, evaluation and oversight of the work of the independent registered public accounting firm engaged by the Company for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company. The independent auditors report directly to the Committee. The Committee's authority includes resolution of disagreements between management and the independent auditors regarding financial reporting and the receipt of communications from the independent auditors as may be required under professional standards applicable to the independent auditors.
- B. *Terms of audit and non-audit engagements.* The Committee must preapprove all audit, review, attest and permissible non-audit services (including any permissible internal control-related services) to be provided to the Company or its subsidiaries by the independent auditors. The Committee may establish pre-approval policies and procedures in compliance with applicable SEC rules.
- C. *Annual quality control report and review.* The Committee must obtain and review, at least annually, a report by the independent auditors describing:
- the independent auditor's internal quality-control procedures;
  - any material issues raised by the most recent internal quality control review, or peer review, of the independent auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues; and
  - any relationships between the independent auditors and the Company.

In addition, the Committee's annual review of the independent auditors' qualifications must also include the review and evaluation of the lead partner of the independent auditors for the Company's account, and evaluation of such other matters as the Committee may consider relevant to the engagement of the independent auditors, including views of Company management and internal finance employees, and whether the lead partner or auditing firm itself should be rotated.

- D. *Policy on hiring employees of the auditors.* The Committee will, from time to time, establish hiring policies that will govern the Company's hiring of employees or former employees of the independent auditors, taking into account possible pressures on the auditors' personnel who might seek a position with the Company, and report these policies to the Board.

#### **4. Annual financial reporting**

As often and to the extent the Committee deems necessary or appropriate, but at least annually in connection with the audit of the Company's financial statements for each fiscal year, the Committee will:

- A. *Discuss financial statements and internal control reports with management.* Meet to review and discuss with appropriate members of management, the independent auditors, and, if appropriate, internal auditors:
- the audited financial statements;
  - related accounting and auditing principles and practices; and
  - management's assessment of internal control over financial reporting and the related report and attestation on internal control over financial reporting to be included in the Company's annual report on Form 10-K (when these reports are required under SEC rules).
- B. *Critical accounting policy report.* Timely request and receive from the independent auditors (before the filing of any audit report) the report or update required pursuant to applicable SEC rules concerning:
- all critical accounting policies and practices to be used;
  - all alternative treatments within generally accepted accounting principles for policies and practices relating to material items that have been discussed with Company management, including ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors; and
  - other material written communications between the independent auditors and Company management, such as any management letter or schedule of unadjusted differences.
- C. *AS 16 review.* Discuss with the independent auditors the matters required to be discussed by PCAOB Auditing Standard No. 16 relating to the conduct of the audit, including critical accounting policies and practices, critical accounting estimates and significant unusual transactions, the auditors evaluation of the quality of the Company's financial reporting and any identified weaknesses in internal controls.
- D. *MD&A.* Review and discuss with appropriate members of management and the independent auditors the specific intended disclosures under "Management's Discussion and Analysis of

Financial Condition and Results of Operations” to be included in the Company’s annual report on Form 10-K.

- E. *Independence disclosure.* Receive from the independent auditors all written statements and other communications relating to their independence from the Company that may be required under the then applicable rules governing independent auditors.
- F. *Auditor independence.* Actively discuss with the independent auditors any disclosed relationships or services that may impact their objectivity and independence, and take any other appropriate action to oversee their independence.
- G. *Material issues.* To the extent the Committee deems necessary or appropriate, discuss with the independent auditors material issues on which the audit team assigned to the Company’s engagement consulted the independent auditors’ national office. The Committee will review with the independent auditors any problems or difficulties encountered during the course of the audit, including any restrictions on the scope of the independent auditors’ activities or on access to requested information, and any significant disagreements with management, together with management’s response.
- H. *Audit Committee Report and recommendation to file audited financial statements.* Recommend to the Board whether the Company’s annual report on Form 10-K to be filed with the SEC should include the audited financial statements and timely prepare the audit committee report and other information required to be included in the Company’s annual meeting proxy statement.

## **5. Quarterly financial reporting**

As often and to the extent the Committee deems necessary or appropriate, but at least quarterly in connection with the review of the Company’s financial statements for each fiscal quarter, the Committee will:

- A. *Quarterly review.* Meet to review and discuss the quarterly financial statements of the Company and the results of the independent auditors’ review of these financial statements with appropriate members of management and the independent auditors.
- B. *Discussion of significant matters with management.* Meet to review and discuss with Company management and, if appropriate, the independent auditors, significant matters relating to:
  - the quality and acceptability of the accounting principles applied in the financial statements;
  - new or changed accounting policies, and significant estimates, judgments, uncertainties or unusual transactions;
  - the selection, application and effects of critical accounting policies and estimates applied by the Company; and
  - any new off-balance sheet transactions and relationships with any unconsolidated entities or any other persons that may have a material current or future effect on the financial condition or results of the Company and are required to be reported under SEC rules.

- C. *MD&A.* Meet to review and discuss with appropriate members of management and the independent auditors the specific intended disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” to be included in the Company’s quarterly report on Form 10-Q.

**6. Other duties and responsibilities**

- A. *Annual review of this charter.* The Committee will review and assess the adequacy of this charter annually and recommend any proposed changes to the Board.
- B. *Annual review of performance.* The Committee will evaluate its performance as the audit committee on an annual basis and report the results thereof to the Board.
- C. *Earnings releases and other financial guidance.* The Committee will discuss with management press releases disclosing the Company’s financial results and other published financial information, as well as financial information and earnings guidance provided to analysts and rating agencies. The Committee’s responsibility to discuss such press releases, other published financial information and financial information and earnings guidance provided to analysts and rating agencies may be done generally (*i.e.*, discussion of the types of information to be disclosed and the type of presentation to be made). The Committee need not discuss in advance each such press release, other published financial information or each instance in which the Company may provide earnings guidance.
- D. *Compliance.* The Committee, to the extent it deems necessary or appropriate, will periodically review with management the Company’s disclosure controls and procedures, internal control over financial reporting, internal accounting controls and policies, systems and procedures to promote compliance with laws.
- E. *Risk oversight.* The Committee will periodically:
- review risks relating to the financial statements, auditing and financial reporting processes, key credit risks, liquidity risks and market risks and inquire of management, the members of the internal audit department and the independent auditors about the Company’s major financial and auditing risks or exposures;
  - discuss the steps management has taken to monitor and control such risks or exposures;
  - discuss guidelines and policies with respect to risk management; and
  - report the results of such review to the Board.
- F. *Conduct codes.* The Committee will conduct any activities relating to the Company’s code(s) of conduct and ethics as may be delegated from time to time to the Committee by the Board.
- G. *Complaints and anonymous submissions.* The Committee will establish and maintain procedures for:
- the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

If the Committee or the Board so determines, the submission procedures may also include a method for interested parties to communicate directly with the Board's chairperson or with the non-management directors as a group.

- H. *Internal audit.* The Committee will monitor that the Company maintains an internal audit function (which may be outsourced to a firm other than the Company's independent auditors). The Committee will oversee the internal auditors (or other personnel responsible for the internal audit function), who will report directly to the Committee.
- I. *Internal control over financial reporting.* The Committee will periodically discuss and review, as appropriate, with the internal auditors, management and the independent auditors:
  - the design and effectiveness of the Company's internal control over financial reporting; and
  - any significant deficiencies or material weaknesses in the Company's internal control over financial reporting, any change that has materially affected or is reasonably likely to materially affect that internal control (including special steps adopted in light of any such deficiency or weakness), and any fraud (whether or not material) that involves management or other employees who have a significant role in that internal control, that have been reported to the Committee.
- J. *Reports from legal counsel.* The Committee will review and take appropriate action with respect to any reports to the Committee from legal counsel for the Company concerning any material violation of securities law or breach of fiduciary duty or similar violation by the Company, its subsidiaries or any person acting on their behalf.
- K. *Conduct periodic meetings.* The Committee will hold separate, periodic meetings with management, independent auditors and the Company's internal audit department or third party provider to ensure effective exercise of the Committee's oversight duties.
- L. *Other reviews and functions.* The Committee, as it may consider appropriate, may consider and review with the Board, Company management, internal or outside legal counsel, the independent auditors or any other appropriate person any other topics relating to the purposes of the Committee that may come to the Committee's attention and will make such reports to the Board as are necessary or advisable. The Committee may perform any other activities consistent with this charter, the Company's corporate governance documents and applicable listing standards, laws and regulations as the Committee or the Board considers appropriate.

## **7. Miscellaneous**

- A. *Committee access and information.* The Committee is at all times authorized to have direct, independent and confidential access to the independent auditors and to the Company's other directors, management and personnel to carry out the Committee's purposes. The Committee is authorized to conduct or authorize investigations into any matters relating to the purposes, duties or responsibilities of the Committee.
- B. *Committee advisers and funding.* As the Committee deems necessary to carry out its duties, the Committee is authorized to select, engage (including approval of the fees and terms of engagement), oversee, terminate and obtain advice and assistance from outside legal,

accounting or other advisers or consultants. The Company will provide for appropriate funding, as determined by the Committee, for payment of:

- compensation to the independent auditors for their audit and audit- related, review and attest services;
- compensation to any advisers or consultants engaged by the Committee; and
- ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee will have sole authority to approve the engagement of any such consultant or its affiliates for additional services to the Company, including the purchase of any products from such consultant or its affiliates.

- C. *Reliance on others.* Nothing in this charter is intended to preclude or impair the protection provided in Section 141(e) of the General Corporation Law of the State of Delaware for good faith reliance by members of the Committee on reports or other information provided by others.

## **8. Posting Requirement**

The Company will make this charter available on or through the Company's website as required by applicable rules and regulations. In addition, the Company will disclose in its proxy statement for its annual meeting of stockholders or in its annual report on Form 10-K, as applicable, that a copy of this charter is available on the Company's website and provide the Company's website address.