

Edgar Filing: Approach Resources Inc - Form FWP

Approach Resources Inc
Form FWP
June 06, 2013

Issuer Free Writing Prospectus filed pursuant to Rule 433
supplementing the Preliminary Prospectus Supplement dated

June 3, 2013 and the Prospectus dated May 18, 2011

Registration No. 333-174318

June 6, 2013

7.00% Senior Notes due 2021

The information in this pricing term sheet supplements the information in the preliminary prospectus supplement dated June 3, 2013, including the documents incorporated by reference therein (the Prospectus Supplement), and the related base prospectus dated May 18, 2011. Other information presented in the Prospectus Supplement is deemed to have changed to the extent affected by the changes described herein. Capitalized terms not defined herein have the meaning ascribed to them in the Prospectus Supplement.

Issuer:	Approach Resources Inc.
Title of Securities:	7.00% Senior Notes due 2021
Aggregate Principal Amount:	\$250,000,000 aggregate principal amount
Net Proceeds to Issuer (before expenses):	\$244,375,000
Distribution:	SEC Registered
Final Maturity Date:	June 15, 2021
Public Offering Price:	100.00% plus accrued interest, if any, from June 11, 2013
Coupon:	7.00%
Yield to Maturity:	7.00%
Spread to Benchmark Treasury:	+532 bps
Benchmark Treasury:	UST 3.125% due May 15, 2021
Interest Payment Dates:	June 15 and December 15
Record Dates:	June 1 and December 1
First Interest Payment Date:	December 15, 2013
Optional Redemption:	Make-whole call at T+50 until June 15, 2016.

From and after June 15, 2016, in whole or in part, at the prices set forth below (expressed as percentages of the principal amount), plus accrued and unpaid interest, if any, to the date of redemption, on June 15 of the years set forth below:

Date	Price
2016	105.250%

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2017	103.500%
2018	101.750%
2019 and thereafter	100.000%

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Optional Redemption with Equity Proceeds: Prior to June 15, 2016, up to 35% at a redemption price equal to 107.000% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, if any, to the date of redemption.

Special Optional Redemption upon a Change of Control within the First Year: None

Change of Control: Puttable at 101% of principal, plus accrued and unpaid interest to the date of purchase.

CUSIP/ISIN Numbers: CUSIP: 03834A AA1
ISIN: US03834AAA16

Joint Book-Running Managers: J.P. Morgan Securities LLC
RBC Capital Markets, LLC
KeyBanc Capital Markets Inc.

Co-Managers: Wells Fargo Securities, LLC
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Scotia Capital (USA) Inc.
Tudor, Pickering, Holt & Co. Securities, Inc.

Trade Date: June 6, 2013

Expected Settlement Date: June 11, 2013 (T+3)

This information does not purport to be a complete description of the notes. This communication does not constitute an offer to sell or the solicitation of an offer to buy any notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The Issuer has filed a registration statement (including the Prospectus Supplement) with the SEC for the offering to which this communication relates. Before you invest, you should read the Prospectus Supplement, the registration statement and other documents the Issuer has filed with the SEC for more complete information about the Issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, copies of the Prospectus Supplement may be obtained from your sales representative: J.P. Morgan Securities LLC at 383 Madison Avenue, 3rd Floor, New York, New York 10179, Attention: Syndicate Desk, or by calling (800) 245-8812.

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