



FOR IMMEDIATE RELEASE
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PHX Minerals Inc. Announces Working Interest Divestiture and Mineral Acquisition

OKLAHOMA CITY, November 1, 2021 /PRNewswire/ -- PHX Minerals Inc. (NYSE: PHX) ("PHX" or the "Company") announced today that it has sold a package of 499 non-operated legacy working interest wellbores located in the Fayetteville Shale of Arkansas to an undisclosed buyer for \$2,125,000. The buyer will also assume an asset retirement obligation in the amount of approximately \$173,000 from the Company. PHX retains all mineral rights underlying the divested working interest wellbores and will continue to receive royalties where applicable. Additionally, PHX completed the acquisition of approximately 220 net royalty acres located primarily in Stephens County, Okla., for \$1,216,374 (the "Acquisition"). The Acquisition is predominately in the same area of the SCOOP Springboard III play as the Company's previously closed April 2021 acquisition where current drilling activity continues to accelerate.

Chad Stephens, President and CEO, said, "These transactions are an important step in the execution of our corporate strategy that we embarked on almost two years ago when I became CEO. The corporate strategy includes high-grading our asset base and transforming PHX into a pure play mineral and royalty company. As we divest our non-operated low margin working interest assets and redeploy the proceeds along with our free cash flow into higher margin minerals, we will see our corporate margins improve and our royalty production volumes grow. We continue to see interest in the market place for our other non-operated working interest assets and are exploring additional divestiture opportunities. Our mineral and royalty acquisition pipeline remains strong. These transactions reflect the momentum we are gaining in the execution of this strategy."

PHX Minerals Inc. (NYSE: PHX) Oklahoma City-based, PHX Minerals Inc. is a natural gas and oil mineral company with a strategy to proactively grow its mineral position in its core areas of focus. PHX owns mineral acreage principally located in Oklahoma, Texas, North Dakota, New Mexico and Arkansas. Additional information on the Company can be found at www.phxmin.com.

Cautionary Statement Regarding Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Words such as "anticipates," "plans," "estimates," "believes," "expects," "intends," "will," "should," "may" and similar expressions may be used to identify forward-looking statements. Forward-looking statements are not statements of historical fact and reflect PHX's current views about future events. Forward-looking statements may include, but are not limited to, statements relating to: the Company's ability to execute

its business strategies; the volatility of realized natural gas and oil prices; the level of production on the Company's properties; estimates of quantities of natural gas, oil and NGL reserves and their values; general economic or industry conditions; legislation or regulatory requirements; conditions of the securities markets; the ability to raise capital; changes in accounting principles, policies or guidelines; financial or political instability; acts of war or terrorism; title defects in the properties in which the Company invests; and other economic, competitive, governmental, regulatory or technical factors affecting the Company's properties, operations or prices. Although the Company believes expectations reflected in these and other forward-looking statements are reasonable, the Company can give no assurance the Company's expectations will prove to be correct. Such forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. These forward-looking statements involve certain risks and uncertainties that could cause the results to differ materially from those expected by the Company's management. Information concerning these risks and other factors can be found in the Company's filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, available on the Company's website or the SEC's website at www.sec.gov.

Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements. The forward-looking statements in this press release are made as of the date hereof, and the Company does not undertake any obligation to update the forward-looking statements as a result of new information, future events or otherwise.

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