



NYSE: PHX

Investor Presentation

May 2023



Cautionary Statement Regarding Forward-Looking Statements

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Cautionary Statement Regarding Forward-Looking Statements

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Use of Non-GAAP Financial Information

This presentation includes certain non-GAAP financial measures. Adjusted EBITDA is a supplemental non-GAAP measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. PHX defines “adjusted EBITDA” as earnings before interest, taxes, depreciation and amortization, or EBITDA, excluding unrealized gains (losses) on derivatives and gains (losses) on asset sales and including cash receipts from (payments on) off-market derivatives and restricted stock and deferred directors’ expense. PHX references Adjusted EBITDA in this presentation because it recognizes that certain investors consider Adjusted EBITDA a useful means of measuring our ability to meet our debt service obligations and evaluating our financial performance. Adjusted EBITDA has limitations and should not be considered in isolation or as a substitute for net income, operating income, cash flow from operations or other consolidated income or cash flow data prepared in accordance with GAAP. Because not all companies use identical calculations, the Company’s calculations of Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Oil and Gas Reserves

The SEC generally permits oil and gas companies, in filings made with the SEC, to disclose proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, and certain probable and possible reserves that meet the SEC’s definitions for such terms. The Company discloses only estimated proved reserves in its filings with the SEC. The Company’s estimated proved reserves as of September 30, 2022, referenced in this presentation were prepared by Cawley, Gillespie and Associates, Inc, an independent engineering firm, and comply with definitions promulgated by the SEC. Additional information on the Company’s estimated proved reserves is contained in the Company’s filings with the SEC.

Overview

PHX is a growth oriented mineral rights company focused on natural gas

- In January of 2020, PHX Minerals began a dramatic company Transformation:
 - New management / technical team – deep industry experience
 - New corporate strategy – minerals only from a “hybrid”
 - New company name from the former Panhandle Oil & Gas – new name aligns with strategy
 - New banking relationship – improved financial partner supporting acquisition strategy
- Former company reserve footprint was scattered and consisted of both mature legacy nonop. working interest and royalty interest (~60% / 40% respectively when measured by proved reserve value)
 - No catalyst to provide predictable / sustainable volume or reserve growth
 - Commodity agnostic
- Since 2020, have high graded assets by divesting of virtually all of the material nonop. working interest assets and redeploying proceeds and free cash flow into mineral acquisition strategy
- Today, PHX is approximately 85% royalty volumes, 78% by proved reserves and 79% natural gas by volumes
- Transformation complete with sustainable model and balance sheet going forward

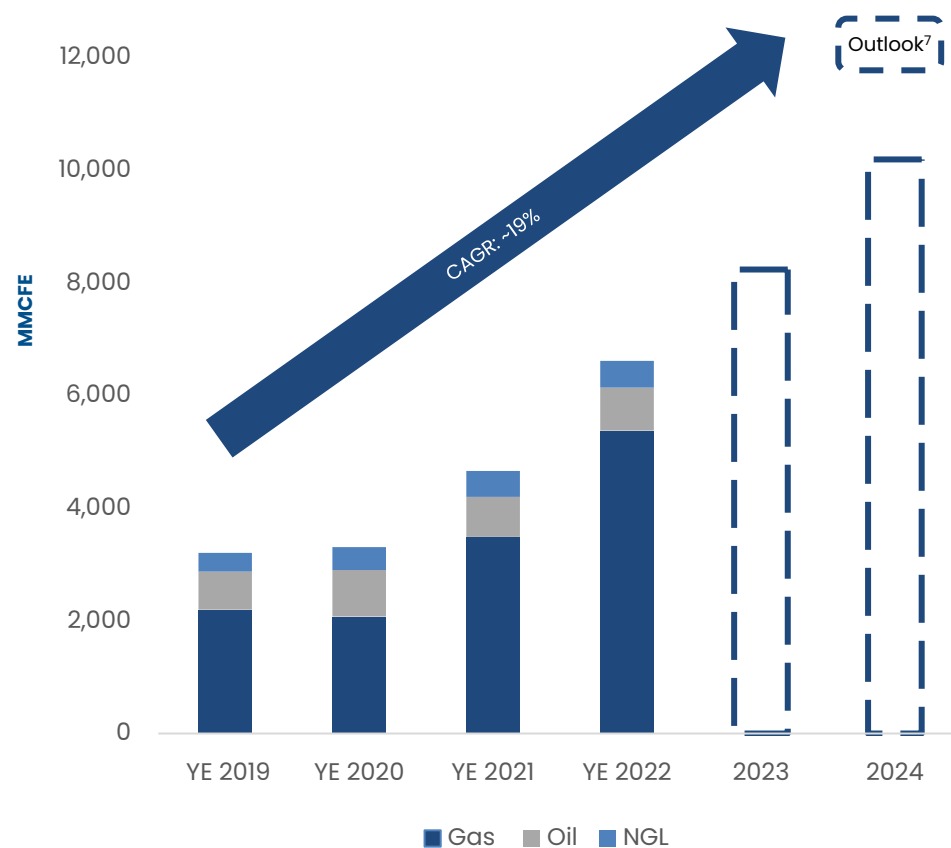
Company Snapshot

Key Statistics

\$ in millions

NYSE	PHX
Market Cap ¹	\$100.1
Enterprise Value ²	\$124.9
Liquidity ³	\$31.8
Dividend Yield ⁴	3.32%
Leverage ⁵	0.91x
Cal. 2022 Adjusted EBITDA ⁶	\$26.7
Q1 2023 Adjusted EBITDA ⁶	\$7.7
Cal. 2022 Discretionary Cash Flow Yield ⁶	~25%
2022 ROCE ^{6,8}	~16%

Sustainable Royalty Volume Production Growth Through Development of Location Inventory



Source: Company information and Enverus

¹ Based on \$2.71 per share as of 04/28/2023 and 36.91m shares outstanding on a fully diluted basis as of 03/31/2023

² Debt of \$26m minus cash on hand of \$1.2m as of 03/31/2023

³ Calculated as working capital (current assets less current liabilities excluding current derivatives) plus availability on the borrowing base as of 03/31/2023

⁴ Based on \$0.09 annualized Dividend per share

⁵ Total Debt / TTM Adjusted EBITDA

⁶ See slide 35-37 for Non-GAAP reconciliation

⁷ Based upon current growth trends

⁸ For fiscal year ended 09/30/2022

Strategy Execution

Goals Set in early 2020

High Grade Asset Base

- Grow royalty production (higher margin/lower cost)
- Improve line of sight development opportunities
- Exit working interest assets (higher cost/lower margin)
- Divest unleased non-producing minerals lacking scale and line of sight development

Build a strong and sustainable balance sheet

Become a consolidator in the mineral space

- Growth strategy is balanced with appropriate debt management and dividend payout ratio
- Allocate capital to generate the best possible returns to shareholders

Generate return on capital employed (ROCE)



Achievements Through March 31, 2023

- Total royalty volume growth since 2020: 150%¹
- Mineral acquisitions completed: ~\$112 million
- Built a 10+ year inventory of line of sight development locations
- Working interest wellbores sold: ~1,380
- Unleased non-producing mineral acres sold: ~24,600

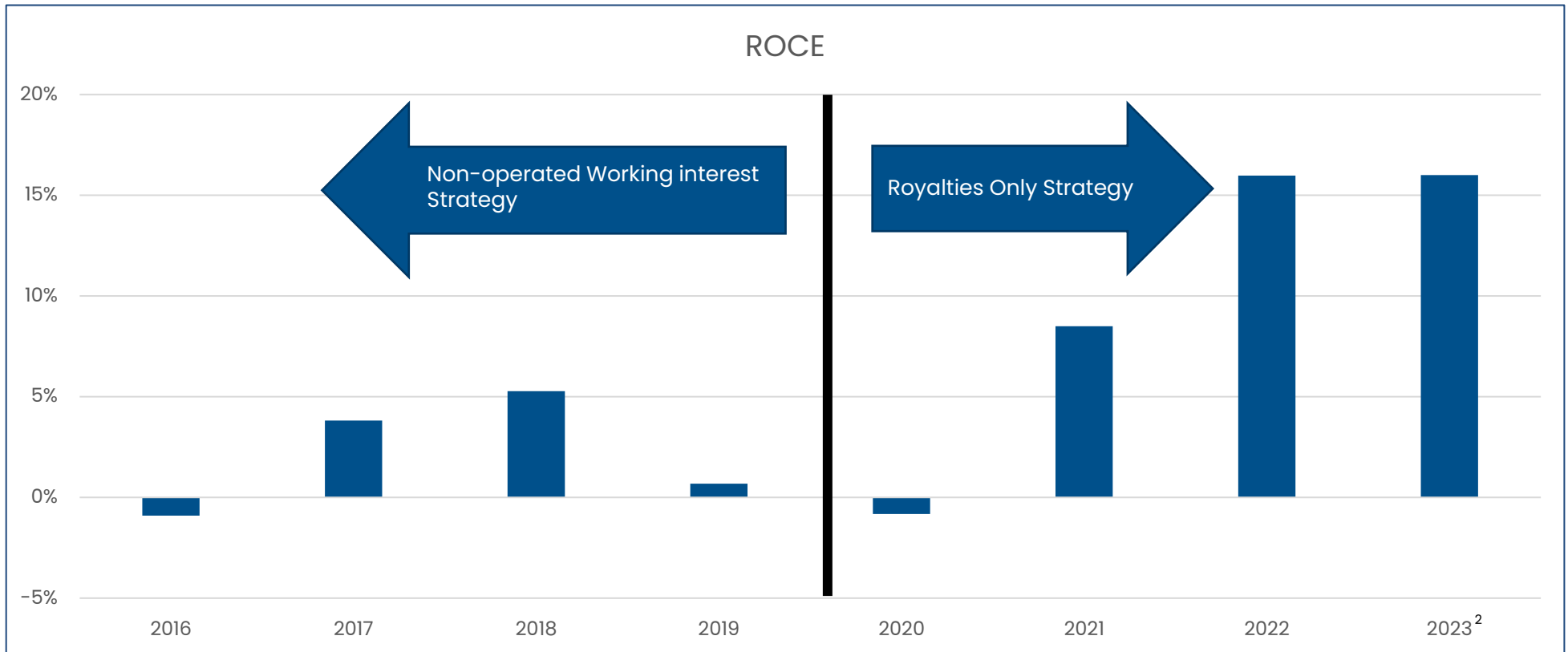
- Reduced leverage: ~2.5x to ~1.00x (Debt / TTM Adjusted EBITDA²)
- Improved commercial bank lending terms and relationships
- Enhanced liquidity profile as a result of superior asset performance and more predictable development timing
- Resilient balance sheet designed to withstand commodity price volatility

- Mineral acquisition transactions completed: 61
- Focus on smaller acquisition in targeted areas: ~\$1.8 million average (generates higher returns with less competition)

- Generated ~16% ROCE³ in 2022 up from ~0% in 2019 and 2020
- Return profile under royalty only strategy driven by new volumes associated with well conversions from acquisitions

Improving Margins Driving Net Income & ROCE

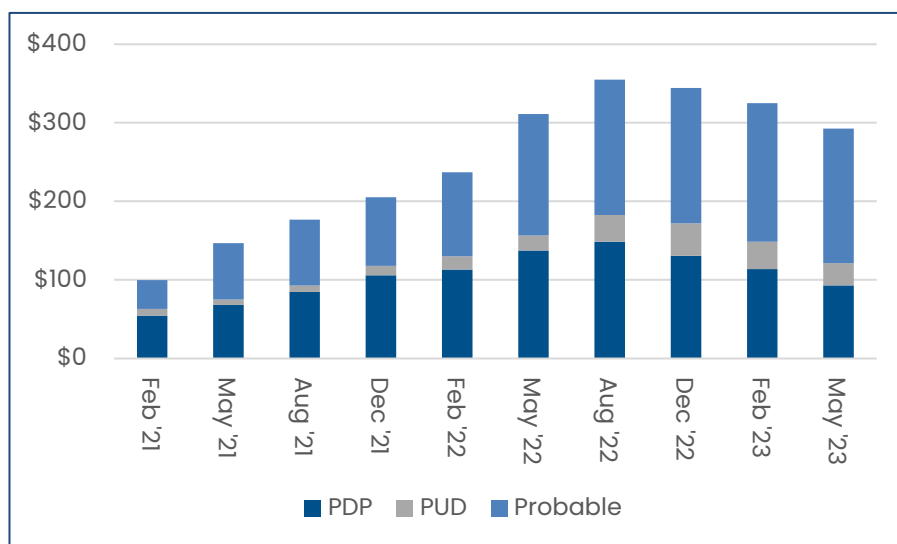
- The two key metrics used by PHX to measure the success of our royalties-only strategy and royalties acquisition program are:
 - Return on Capital Employed (ROCE)¹
 - NAV per share measure (the PV-10 value of our proved and probable reserves)
- Balance sheet management and ample liquidity underpin our strategy in order to thrive across the various pricing cycles of the energy sector



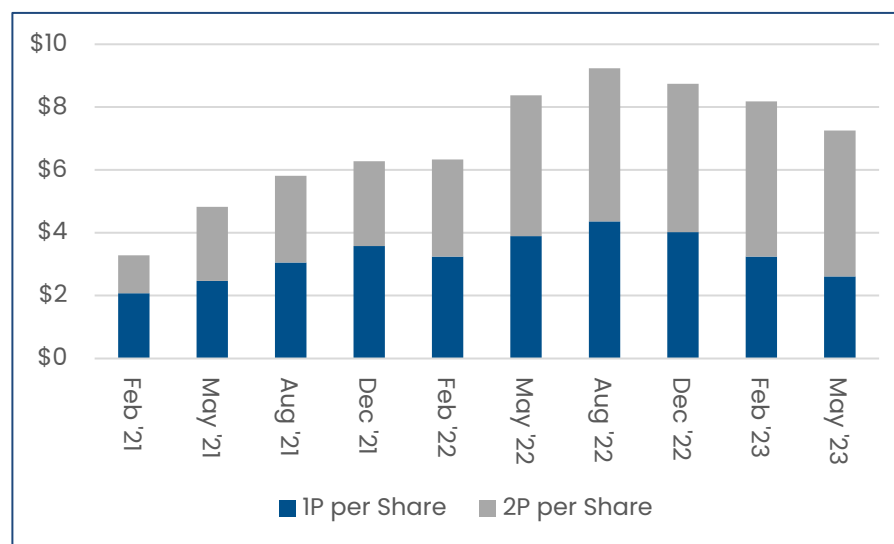
Per Share NAV Continues to Grow

- NAV has consistently increased both on an absolute and per share basis (published in every corporate presentation since early 2021) since royalty-only strategy effort began under new management team
- Despite divesting of non-operated working interest, high grading assets with mineral acquisition program has grown PV10 value and increased NAV per share (net of debt)
- Below reserve value independently verified by DeGolyer & MacNaughton (2021) and Cawley, Gillespie and Associates, Inc (2022)
- Current asset base has lower risk and higher growth profile than the PHX pre-2020 legacy asset base

Total 2P Reserve Value @ PV-10 (\$ millions)



NAV per Share Net of Debt



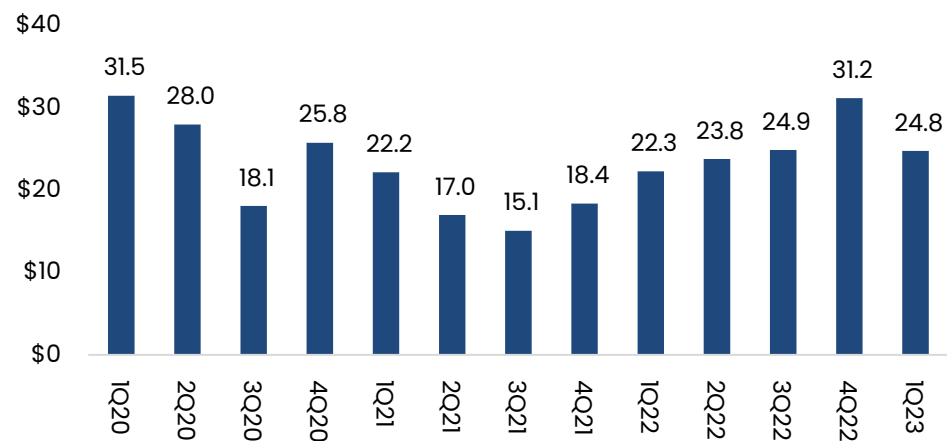
[Next Twelve Month NYMEX strip for oil and natural gas as of date reserves analysis was compiled](#)

	Feb '21	May '21	Aug '21	Dec '21	Feb '22	May '22	Aug '22	Dec '22	Feb '23	May '23
NTM Oil / Gas Prices	\$51.37 / \$2.78	\$61.03 / \$2.95	\$70.27 / \$4.02	\$74.53 / \$4.23	\$82.59 / \$4.76	\$93.39 / \$5.69	\$96.76 / \$7.44	\$75.77 / \$5.77	\$81.26 / \$3.57	\$74.97 / \$2.84

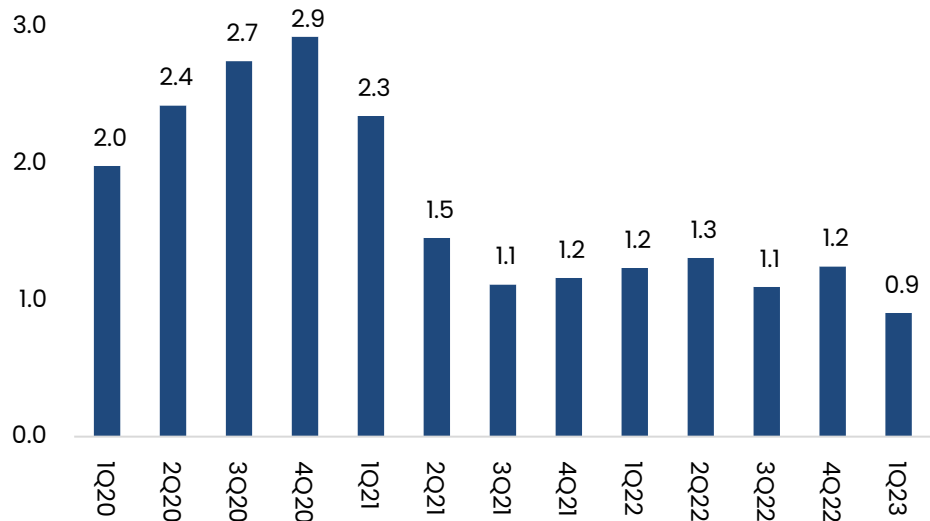
Stable Balance Sheet & Ample Liquidity

Net Debt¹

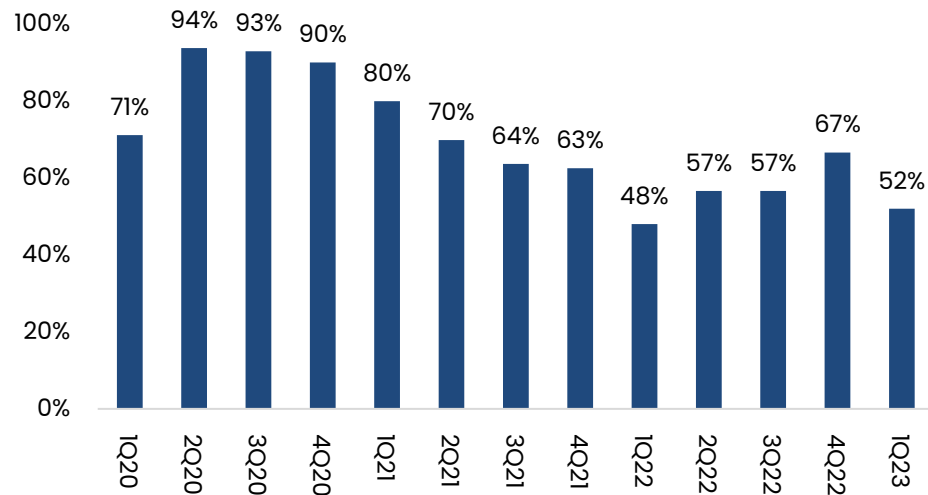
\$ in millions



Debt / Adjusted EBITDA² (TTM)

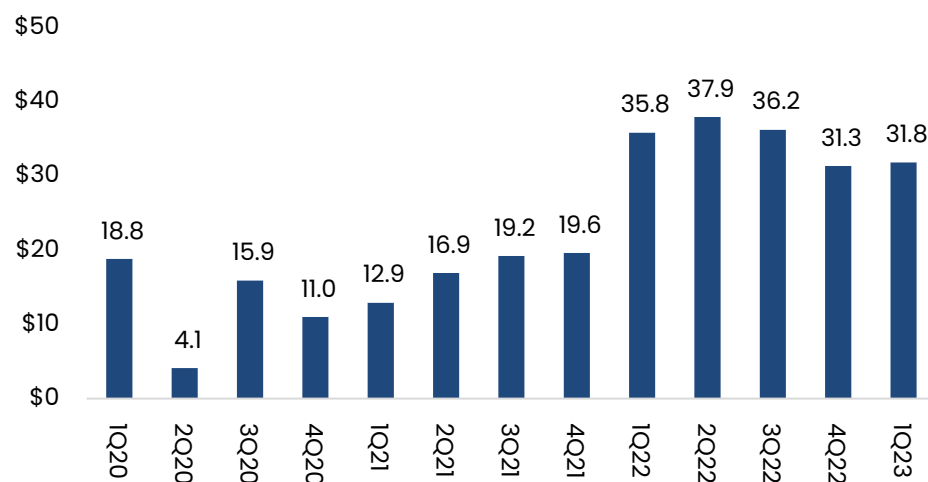


Percentage Drawn on Credit Facility Advance Rate



Liquidity^{3,4}

\$ in millions



Source: Company filings ; All quarters are in Calendar Year

¹ Total debt less cash

² Total Debt / Adjusted EBITDA (as defined on page 36)

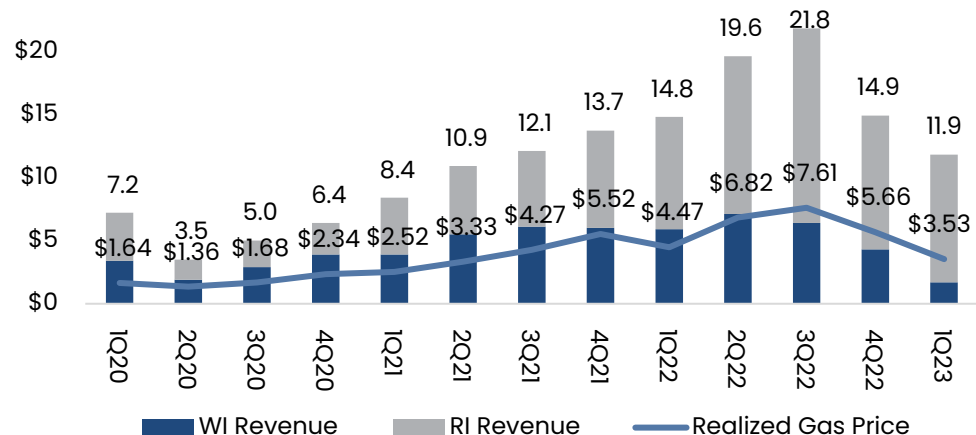
³ Calculated as working capital (current assets less current liabilities excluding current derivatives) plus availability on the borrowing base

⁴ Pro-forma liquidity for 1Q23 would be \$26.8m after borrowing base redetermination, effective 05/05/2023

Royalty Cash Flow Driving Shareholder Value

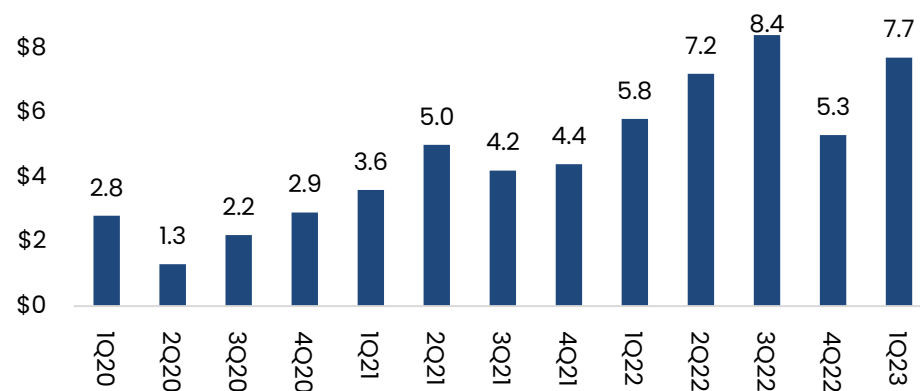
Oil & Gas Sales and Realized Nat. Gas Price

\$ in millions and \$ / Mcfe



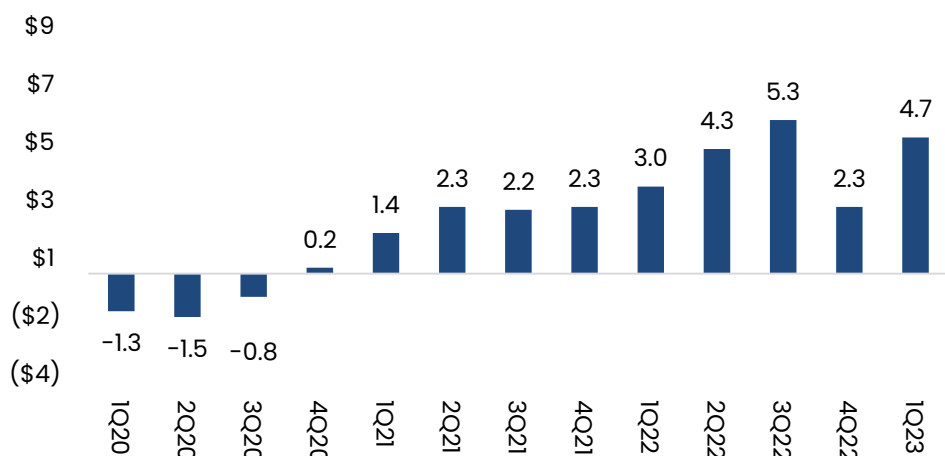
Adjusted EBITDA¹

\$ in millions

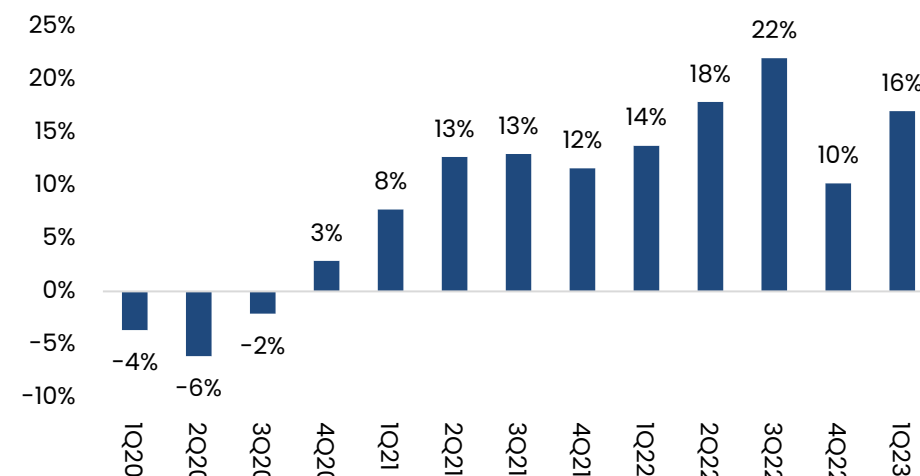


Adjusted Pre-Tax NI²

\$ in millions



Return on Capital Employed³



Source: Company filings ; All quarters are in Calendar Year

¹ Calculated as net income excluding non-cash gain/loss on derivatives, income tax expense, interest expense, DD&A, non-cash impairments, non-cash G&A, gain(losses) on asset sales and cash receipts from/payments on off-market derivatives

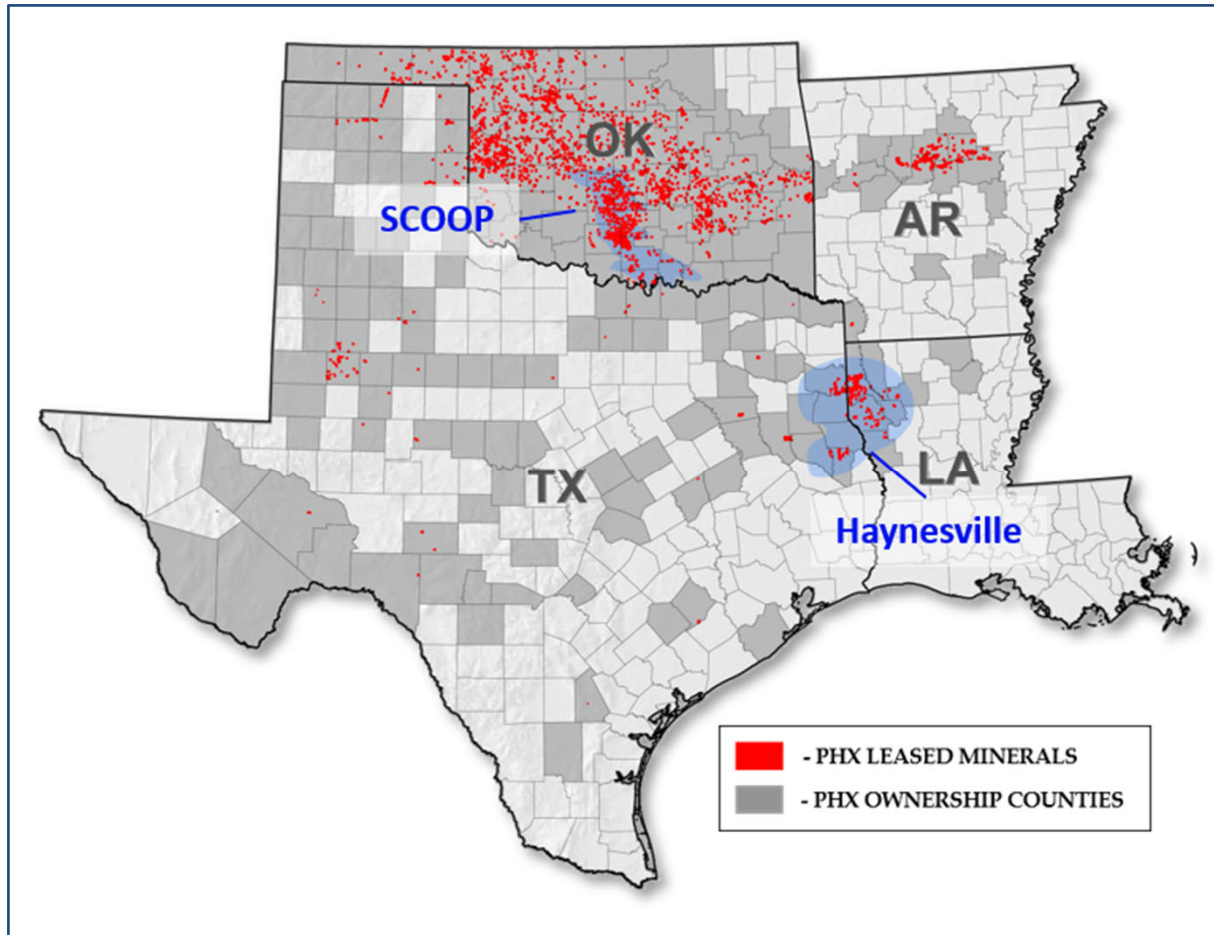
² Pre-tax net income adjusted to exclude unrealized gain on derivatives, non-cash impairments, cash receipts from/payments on off-market derivatives and gains(losses) on asset sales

³ Annualized EBIT excluding non-cash gain/loss on derivatives, non-cash impairments, non-cash G&A, cash receipts from/payments on off-market derivatives and gain(losses) on asset sales divided by average debt and equity during the quarter

PHX Operational Outlook

	Cal. Year 2022 Actual	Cal. Year 2023 Outlook
Mineral & Royalty Production (Mmcfe)	6,613	7,400 – 8,600
Working Interest Production (Mmcfe) ¹	3,084 ¹	1,200 – 1,400 ²
Total Production (Mmcfe)	9,697	8,600 – 10,000
Percentage Natural Gas	78%	80% – 85%
Transportation, Gathering & Marketing (per mcfe)	\$0.63	\$0.53 – \$0.58
Production Tax (as % of pre-hedge sales volumes)	4.50%	4.75% – 5.25%
LOE Expenses (on an absolute basis in 000's)	\$3,807	\$1,200 – \$1,400
Cash G&A (per mcfe)	\$1.01	\$1.00 – \$1.07

Focused in SCOOP and Haynesville



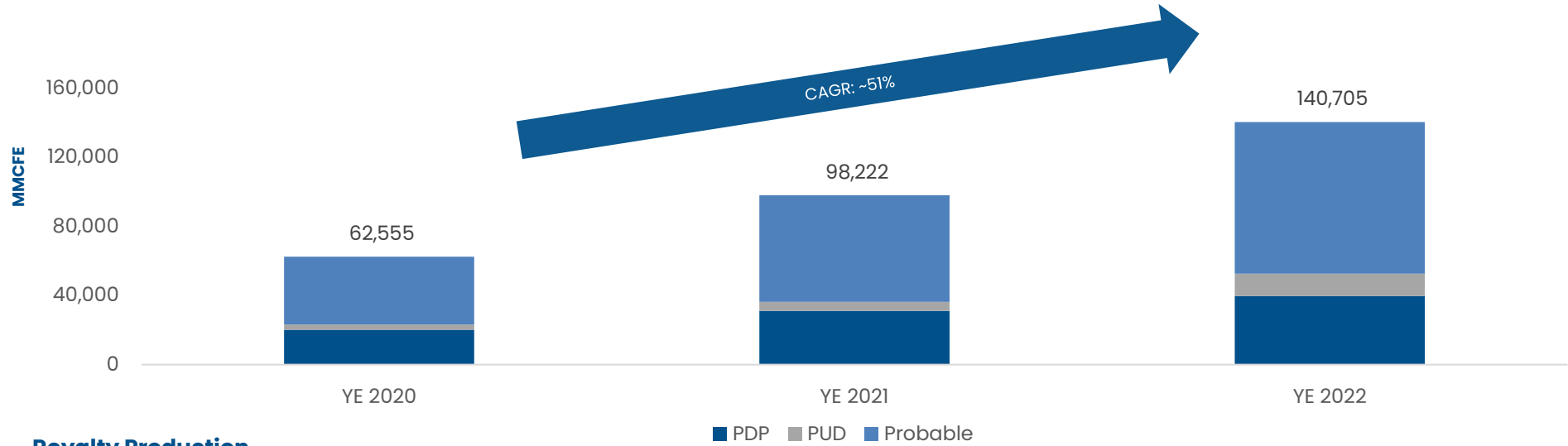
Top Operators of PHX Minerals¹



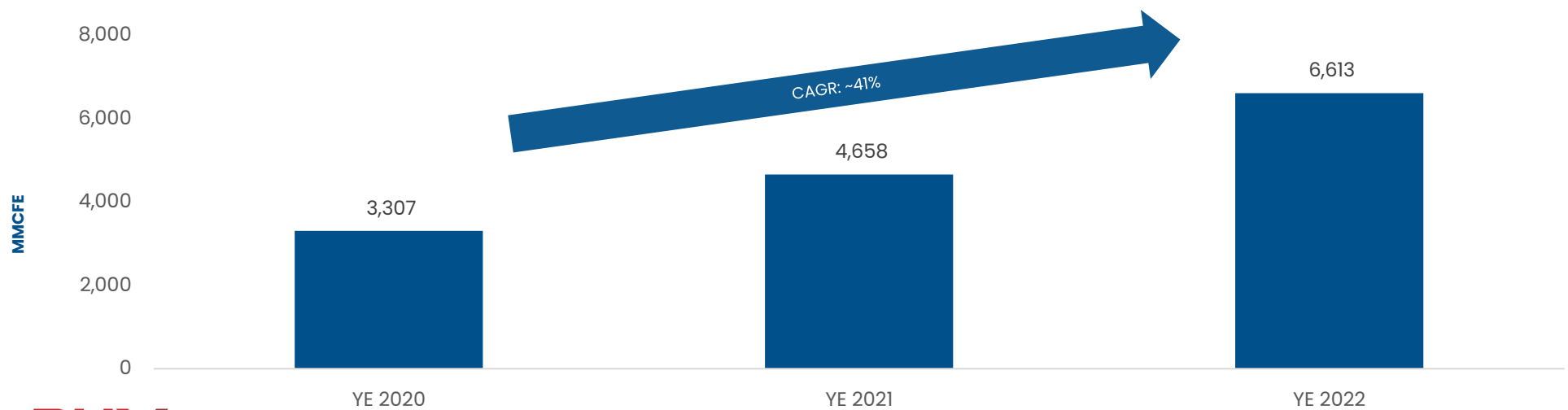
Royalty Reserve Growth

Strategy underpinned by royalty reserves and production growth

Royalty Reserves



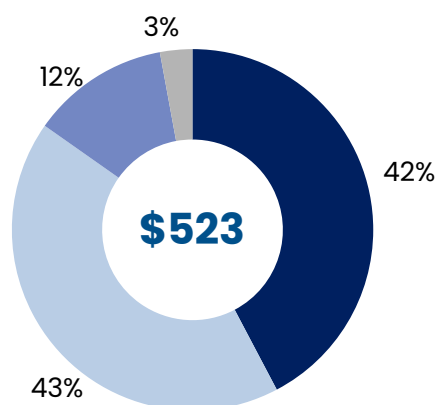
Royalty Production



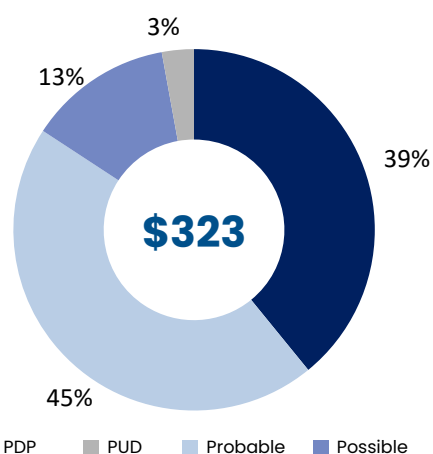
Reserves Value Summary

Reserve Category	PV-10 Value (\$mm)		
	SEC ¹	Strip ²	\$100 / \$7.00 ³
PDP	\$164.9	\$93.0	\$186.0
Drilling or Waiting on Completion	\$35.6	\$21.5	\$39.8
Permits	\$11.3	\$6.8	\$12.7
Total Proved Reserves	\$211.8	\$121.3	\$238.6
Technical PUDs ⁴	\$97.3	\$63.8	\$108.6
PROB ⁵	\$165.7	\$107.3	\$184.7
POSS ⁵	\$48.1	\$30.7	\$53.3
Total 3P Reserves	\$523.0	\$323.1	\$585.2
Proved PV-10 Per Share⁶	\$5.06	\$2.61	\$5.79
2P PV-10 Per Share⁶	\$12.19	\$7.25	\$13.73
3P PV-10 Per Share⁶	\$13.49	\$8.08	\$15.18

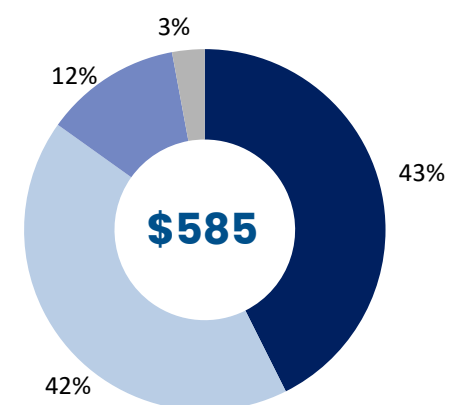
SEC Pricing¹



Strip Pricing²



\$100/\$7.00 Flat Pricing³



1 3P Reserves per 9/30/2022 CGA YE22 report proforma acquisitions, divestitures, and activity as of 3/31/2023 at 3/31/2023 SEC price deck of \$89.40 per bbl of oil, \$38.55 per bbl of NGL, \$6.20 per mcf of gas (proved volume weighted average price)

2 3P Reserves per 9/30/2022 CGA YE22 report proforma acquisitions, divestitures, and activity as of 3/31/2023 at 3/31/2023 STRIP price of WTI/HH 2023: \$74.97/\$2.84, 2024: \$71.10/\$3.63, 2025: \$67.39/\$4.24, 2026: \$64.40/\$4.27, 2027: \$61.68/\$4.22, 2028: \$59.36/\$4.24, 2029: \$57.16/\$4.33, 2030: \$54.99/\$4.35, 2031: \$53.03/\$4.38, 2032: \$51.49/\$4.42, 2033: \$50.17/\$4.53, 2034: \$49.58/\$4.69, 2035+: \$49.58/\$4.90.

3 3P Reserves per 9/30/22 CGA YE22 report proforma acquisitions, divestitures, and activity as of 3/31/2023 at flat price deck of \$100.00 WTI /\$7.00 HH

4 Technical PUDs, reviewed and approved by Cawley, Gillespie and Associates, Inc., share all technical merits of PUDs but development timing is uncertain. PHX Technical PUDs are most likely PUDs in their respective operator's reserve report.

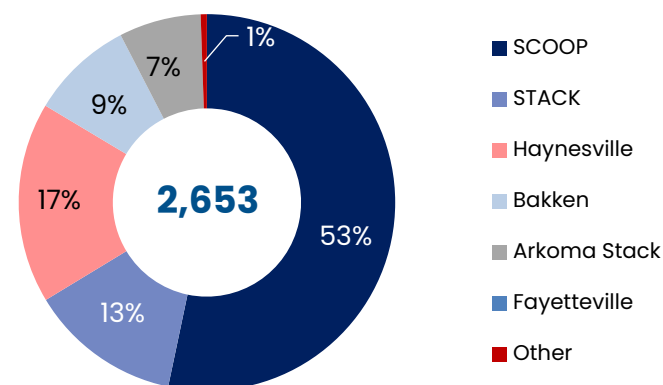
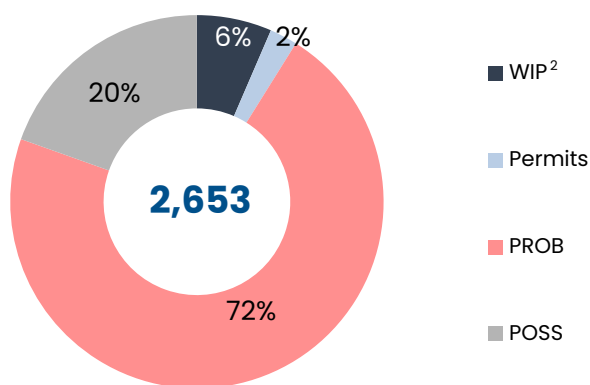
5 Scheduled out approximately 10 years for PROB and 15 years for POSS

6 PV-10 less net debt of \$24.8 MM as of 3/31/2023 divided by total shares outstanding as of 3/31/2023

Royalty Interest Inventory by Basin

Sub-region	Gross PDP Wells ¹	Net PDP Wells ¹	Undeveloped Locations ¹									
			Gross Wells In Progress ²	Net Wells in Progress ³	Gross Permits	Net Permits ³	Gross Technical PUDs ⁴	Net Technical PUDs ^{3,4,5}	Gross PROB	Net PROB ⁵	Gross POSS	Net POSS ^{3,5}
SCOOP	1,015	4.12	68	0.20	27	0.03	215	0.73	787	2.14	356	1.25
Haynesville	436	2.54	90	0.40	31	0.13	256	0.88	125	0.57	4	0.00
STACK	375	1.68	21	0.03	12	0.05	71	0.39	175	1.07	60	0.58
Bakken	623	1.79	9	0.00	3	0.00	66	0.24	132	0.83	9	0.15
Arkoma Stack	533	4.75	5	0.00	5	0.00	2	0.00	97	1.74	83	0.92
Fayetteville	1,058	6.36	0	0.00	0	0.00	0	0	0	0	0	0
Other	2,029	17.00	5	0.01	8	0.03	0	0	0	0	0	0
Total	6,069	38.24	198	0.65	86	0.24	610	2.25	1,316	6.35	512	2.90

Gross Undeveloped Locations



Note:

1 As of 03/31/2023

2 Wells in Progress includes wells currently being drilled and wells waiting on completion

3 Net interest on wells are internal estimates and subject to confirmation from operator

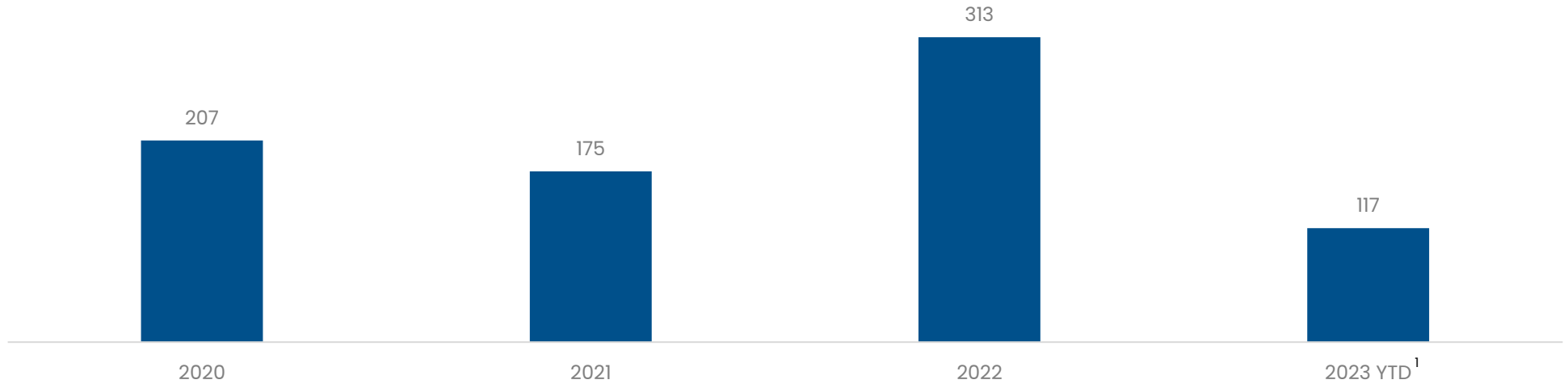
4 Technical PUDs, reviewed and approved by Cawley, Gillespie and Associates, Inc., share all technical merits of PUDs but development timing is uncertain. PHX Technical PUDs are most likely PUDs in their respective operator's reserve report.

5 Technical PUDs, PROB, and POSS net wells assume 10,000 ft. laterals

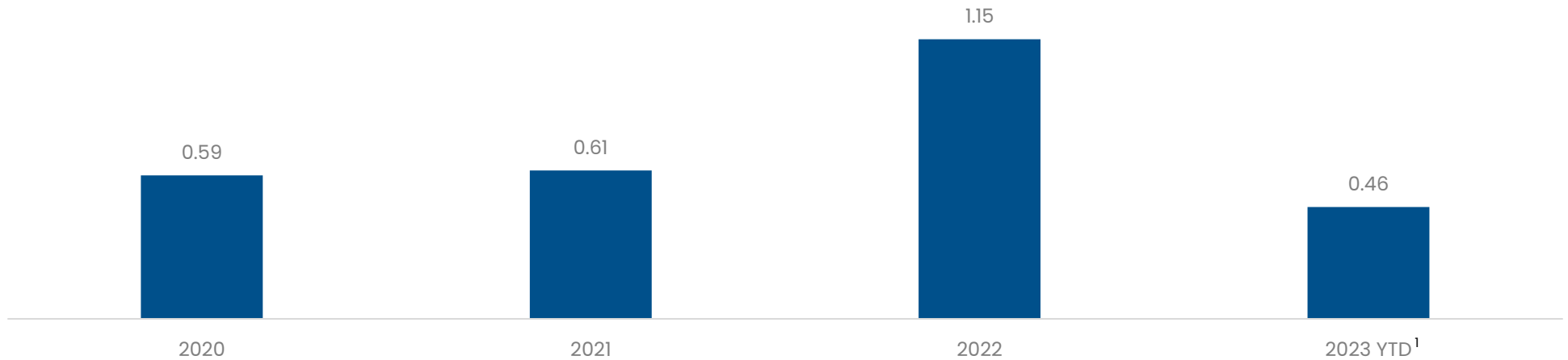
Yearly Conversions To Producing Wells

Strong drilling activity on our mineral assets post Covid has driven increase in royalty production volumes

Gross Conversions



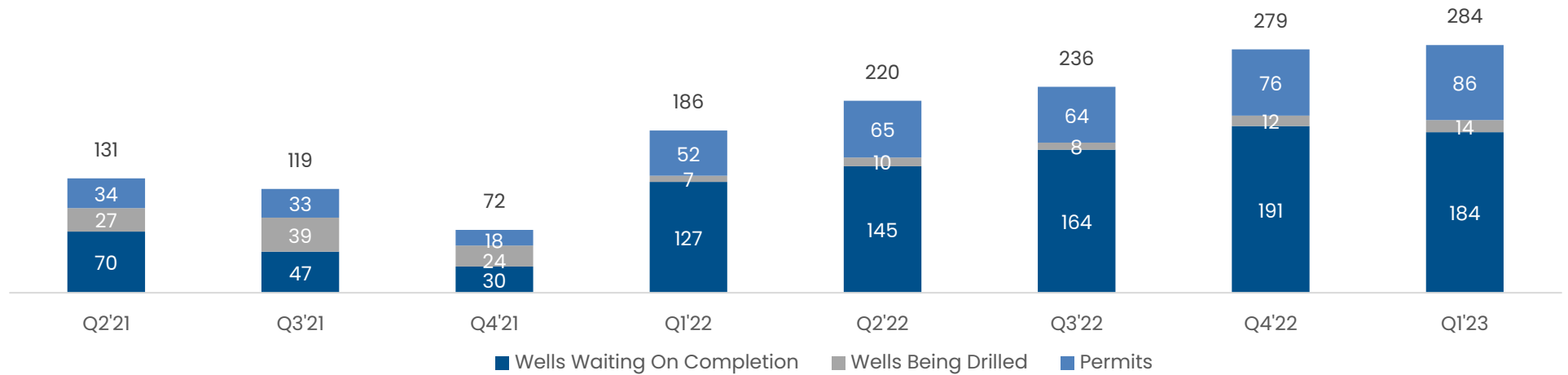
Net Conversions



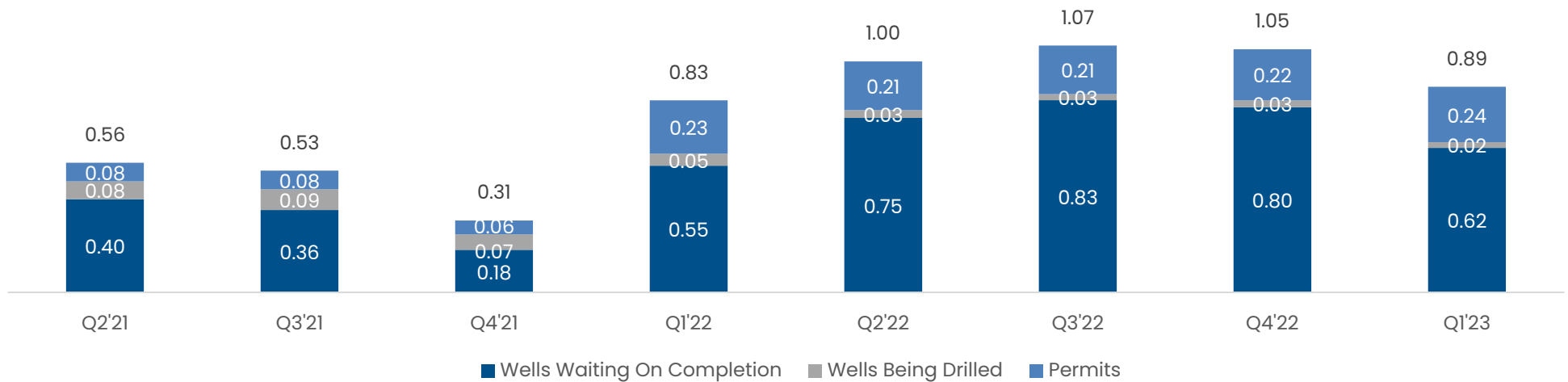
Quarterly Near Term Drilling Inventory

Continuous replacement of wells in progress inventory will drive future royalty volume growth

Gross Inventory

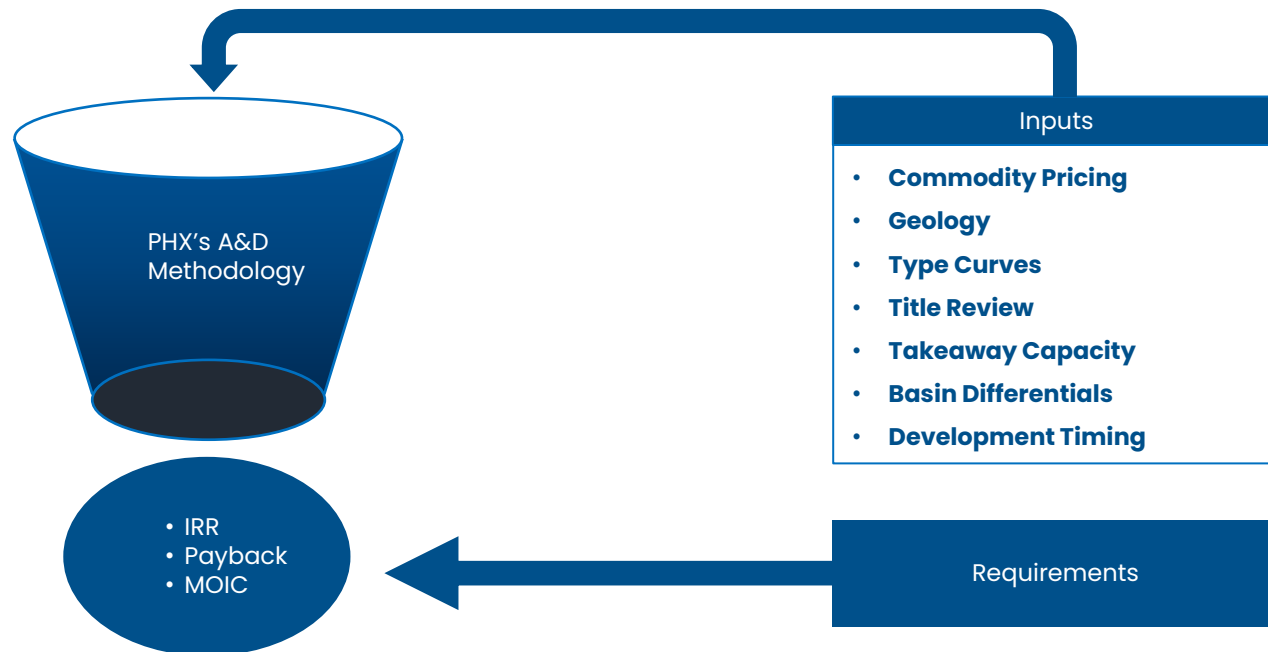


Net Inventory



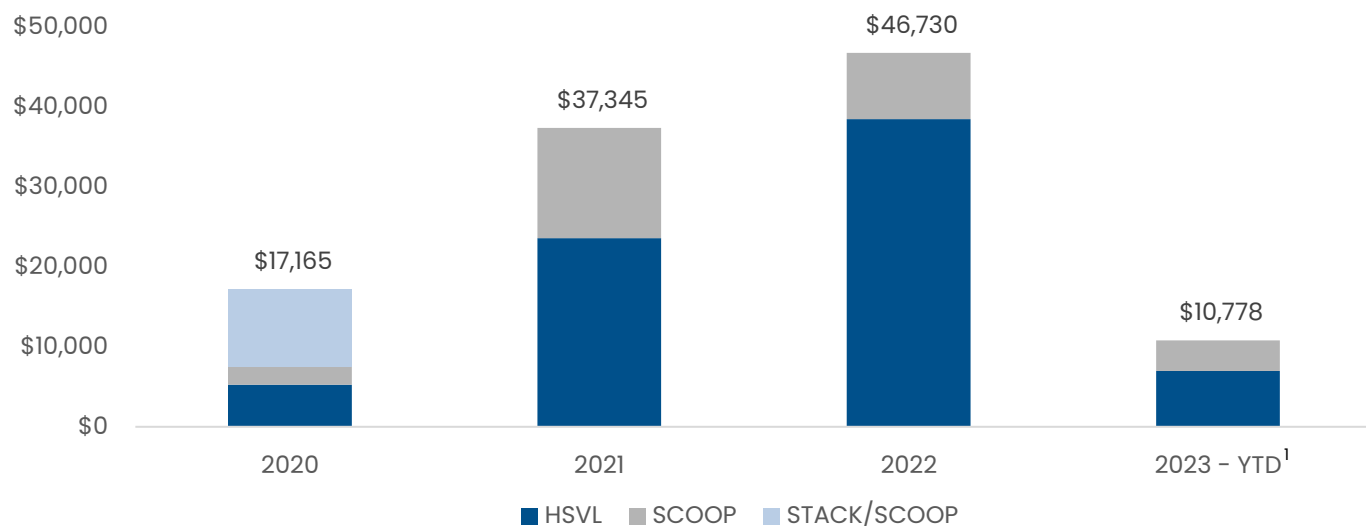
Robust Acquisition Process

- PHX believes that being the aggregator of choice in our core areas is a key component of our strategy
 - Royalties, just like any other hydrocarbon asset class, are naturally depleting assets and reinvestment is required to maintain and grow cash flows over time
 - We target minerals in our core areas (SCOOP and Haynesville) with full analysis of geology and established type curves in order to minimize execution risk
 - Typical profile of acquisitions includes an already producing component as well as royalties that are either in the process of being developed (WIPs) or will be developed over time (locations) by reputable and creditworthy operators to minimize timing risk
 - Our acquisition program targets returns well in excess of our cost of capital (see ROCE) to drive increasing shareholder value



Acquisition Summary

Acquisitions by Basin by Year



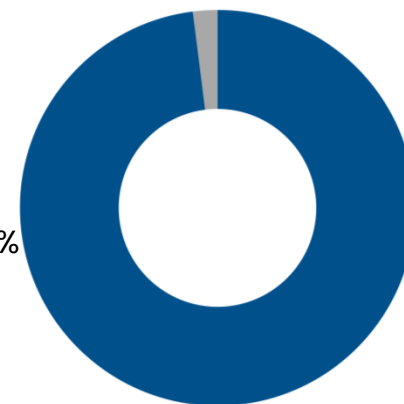
- Focused on highest quality rock in the SCOOP and Haynesville plays
- Targeting a mix of production, near term development opportunities via wells in progress and additional upside potential under high quality operators
- \$28.1M in acquisitions in SCOOP and \$74.2M in Haynesville since Q1 of 2020

Positioned For Growth Through Acquisitions

- Total domestic US mineral market estimated at ~\$0.5 - 1 trillion⁽²⁾
 - Highly fragmented
 - Predominantly owned by private individuals
 - PHX well positioned to be one of the premier consolidators in our core areas
 - Focus on smaller deals increases opportunity set and potential returns

Total Public Company Enterprise Value⁽³⁾: 3%

Market Opportunity Midpoint⁽¹⁾: 97%

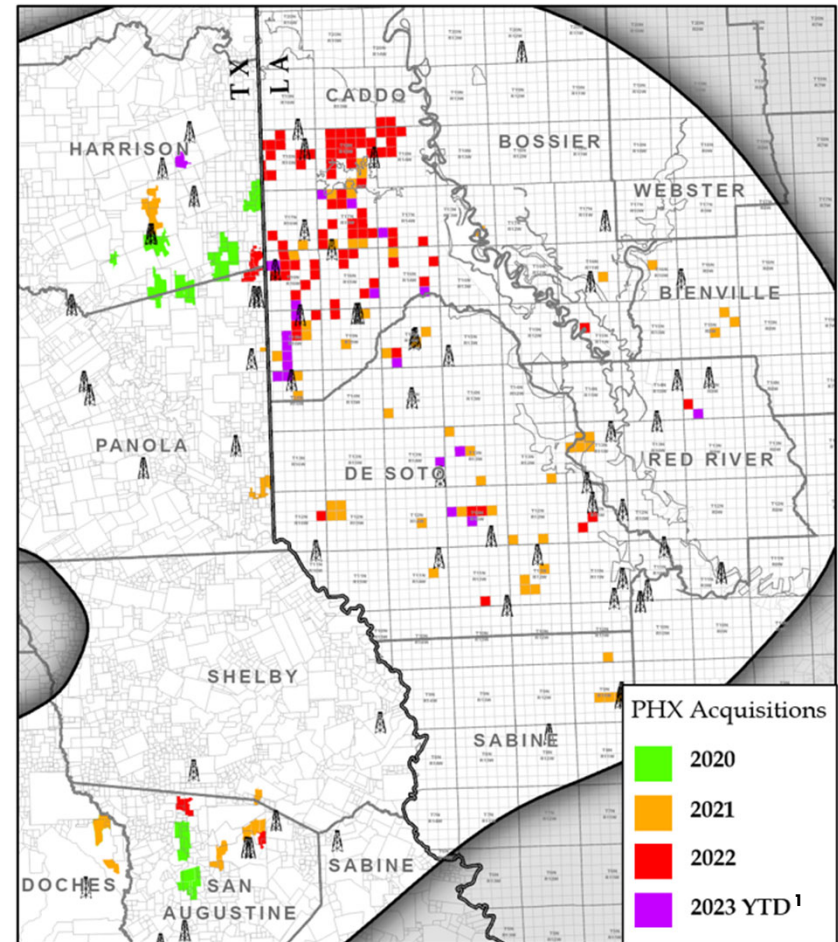
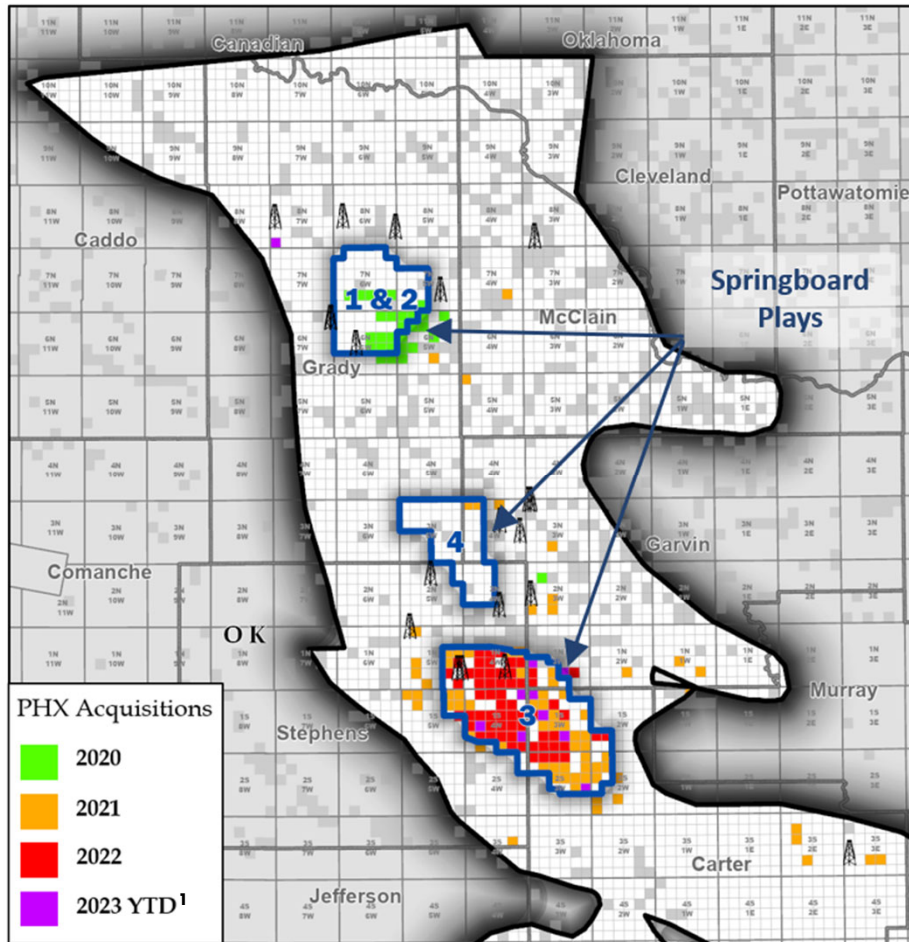


¹ As of 03/31/2023

² Midpoint of market size estimate range. Based on production data from EIA and spot price as of 03/31/2021. Assumes 20% of royalties are on Federal lands and there is an average royalty burden of 18.75%. Assumes a 10x multiple on cash flows to derive total market size. Excludes NGL value and overriding royalty interests

³ Enterprise values of PHX, DMCP, KRP, BSM, STR and VNOM as of 03/31/2023

Acquisition History



All acreage currently owned in the Haynesville and predominately all acreage currently owned in Springboard III area of interest was acquired under current management team's guidance

North Haynesville Update

- Operators are drilling 3-5 wells per unit, and a positive indication of near term volumes and cashflows
- Since 2019, core development areas have been extended as new completion designs have lowered breakevens
- Key Operators: Aethon, Trinity, Chesapeake, Silverhill, Blue Dome and Paloma
- PHX North Haynesville Ownership¹: 5,333 NRA
- Gross Wells In Progress²: 62
- Gross Active Permits³: 18
- Gross Active Rigs⁴: 23

PHX New High NRI Units

TRINITY OPERATING | SL HEROLD 23-14H 003-ALT

1st Prod	3/2022 (8mo)	PHX NRI	0.41%
AVG IP24	30.6 MMCF/d	AVG CUM	3.275 BCF
AVG LL	9,859'	AVG CUM/FT	332 MMCF/FT

SILVER HILL | LIBERTY 29-32HC 001 + 002-ALT | 2 WELL AVG

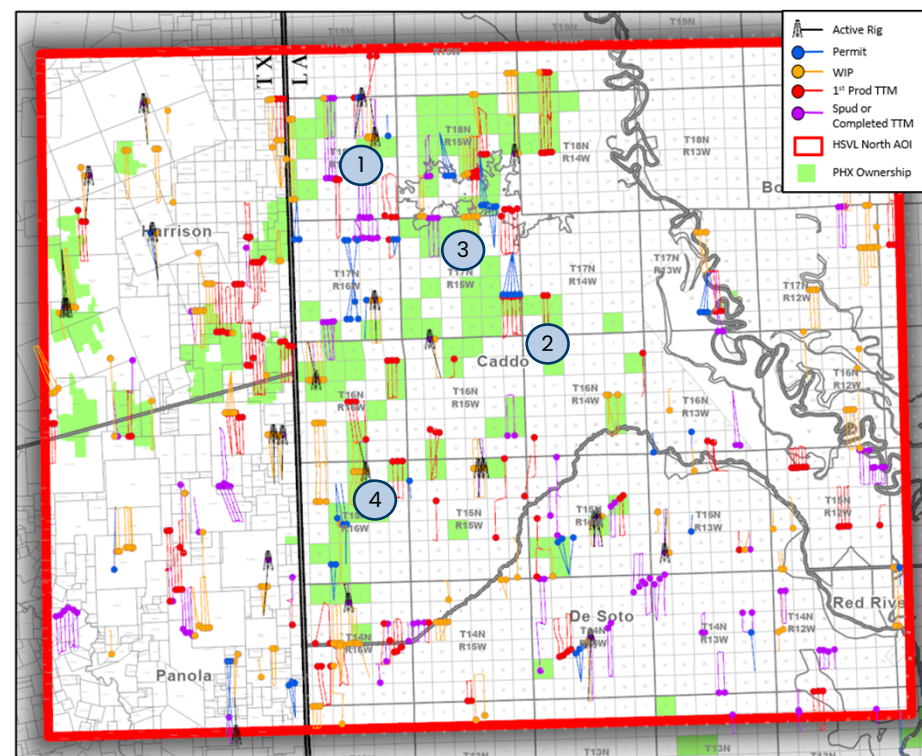
1st Prod	11/2021 (12mo)	PHX NRI	2.275%
AVG IP	21,429 MMCF/d	AVG CUM	4.45 BCF
AVG LL	10,061'	AVG CUM/FT	386 MMCF/FT

BLUE DOME | PINEHILLS DSU | 4 WELLS

1st Prod	12/2021 (11mo)	PHX NRI	4.61%
AVG IP24	21.5 MMCF/d	AVG CUM	3.82 BCF
AVG LL	9,902'	AVG CUM/FT	386 MMCF/FT

PALOMA | BAREMORE EST 11H 001 & 002-ALT | 2 WELLS

1st Prod	6/2021 (17mo)	PHX NRI	3.40%
AVG IP24	26.5 MMCF/d	AVG CUM	4.67 BCF
AVG LL	4,577'	AVG CUM/FT	1,020 MMCF/FT



Springboard III Update

- Highest resource in-place per DSU in the midcontinent, co-developing the Mississippian Sycamore & the Woodford Shale
- Operators starting to infill existing DSUs; Early results suggest very little to no Parent-Child degradation
- PHX Springboard III Ownership¹: 3,426 NRA
- Gross Wells In Progress²: 33
- Gross Active Permits³: 3
- Gross Active Rigs⁴: 3

Recent Well Results

CAMINO | BILLY THE KID 0103 29-20-1MXH | SYCAMORE

1st Prod	11/2022 (14mo)	PHX NRI	0.06%
LL	10,154'	CUM	844 MBOE6
NRM PROP	2,267 #/FT	CUM/FT	83.2 MBOE6/FT

CAMINO | SUNDANCE KID 0104 26-35MXH | SYCAMORE

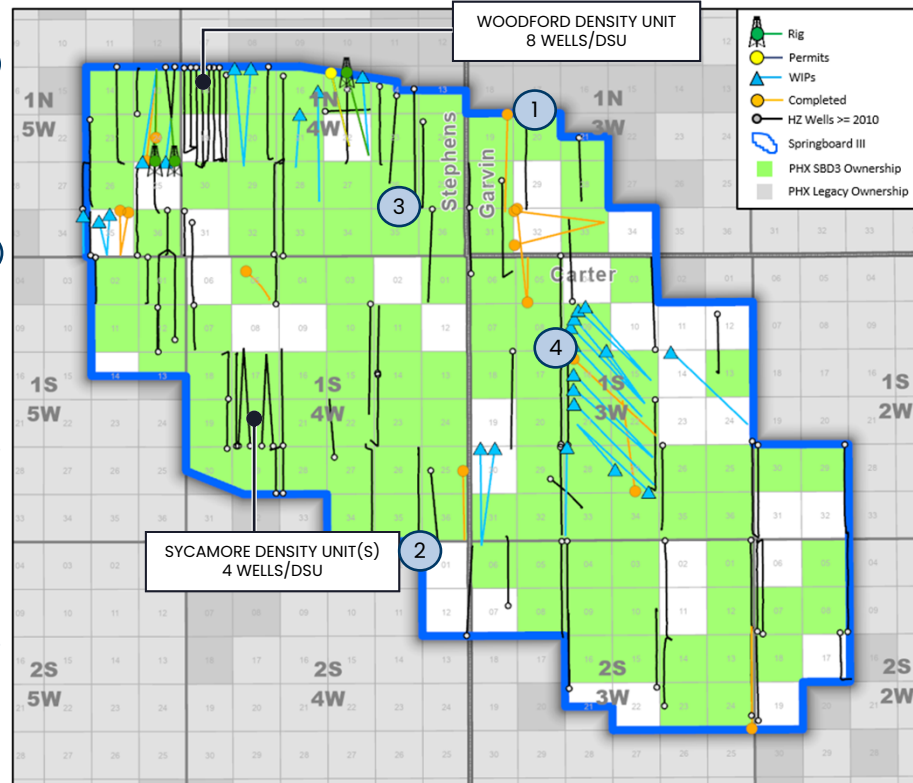
1st Prod	11/2021 (16mo)	PHX NRI	0.30%
LL	10,097'	CUM	585 MBOE6
NRM PROP	2,761 #/FT	CUM/FT	57.9 MBOE6/FT

CONTINENTAL | LEON 2 & 3-26-23-14XHM | SYCAMORE | 2 WELL AVG

1st Prod	9/2021 (5mo)	PHX NRI	0.75%
LL	10,295'	CUM	211 MBOE6
NRM PROP	2'507 #/FT	CUM/FT	20.8 MBOE6/FT

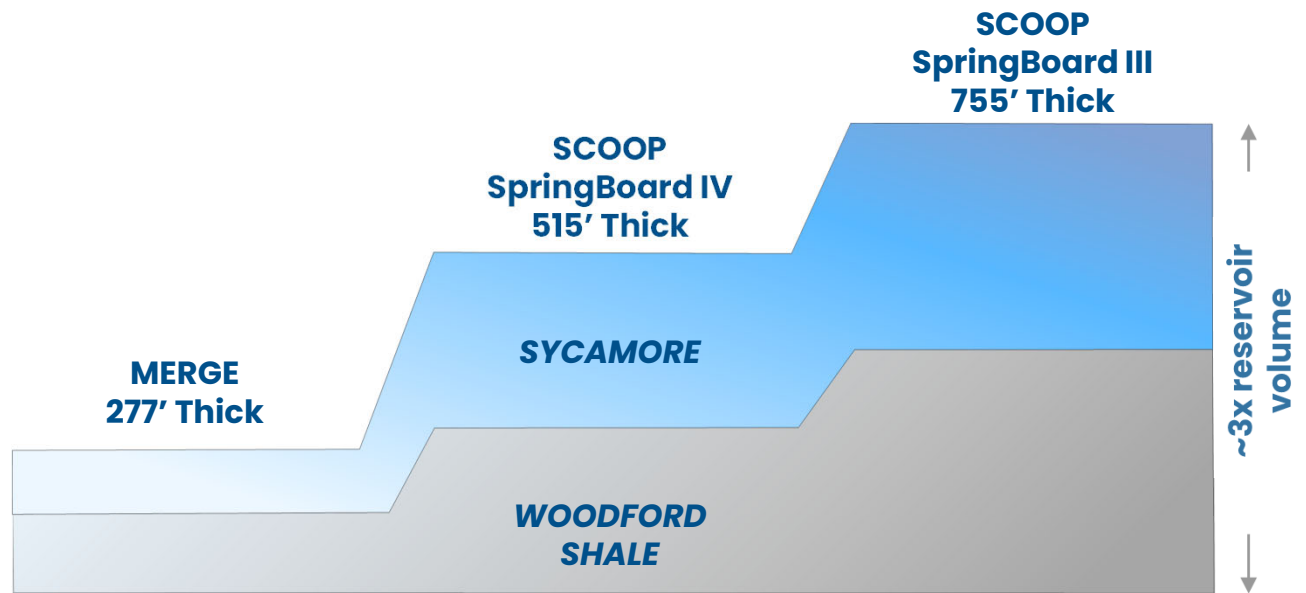
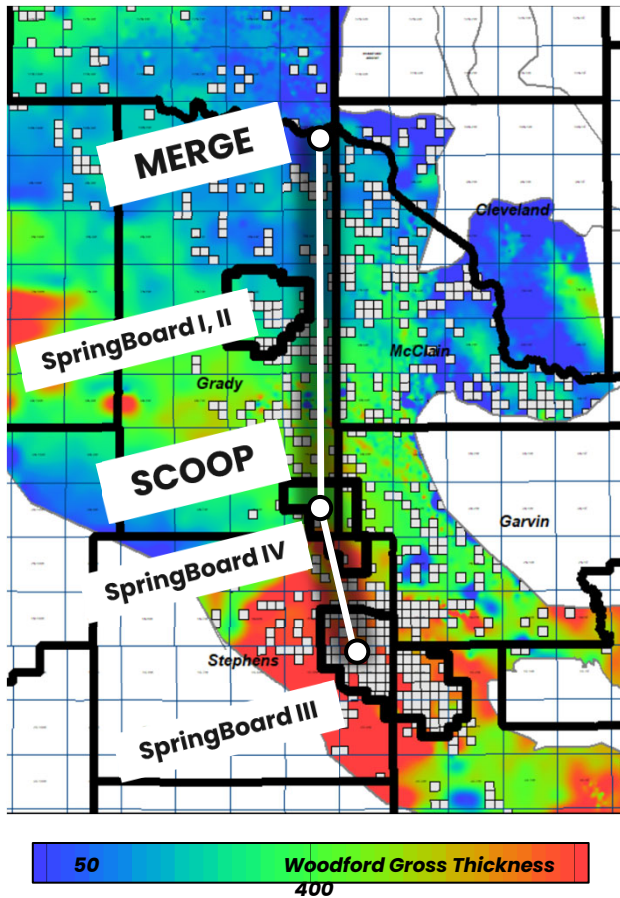
CONTINENTAL | BOWERY 1-16-21 MH | SYCAMORE

1st Prod	11/2021 (12mo)	PHX NRI	0.42%
LL	10,217'	CUM	710 MBOE6
NRM PROP	2,511 #/FT	CUM/FT	69.5 MBOE6/FT



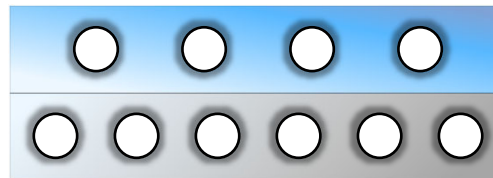
SCOOP Springboard Plays

- Springboard III, just like Springboard IV (Core SCOOP), has >3X the hydrocarbons in-place compared to the MERGE
- Sycamore & Woodford produces super-rich gas (~1,350 BTU) with minimal produced water



PHX SpringBoard III Base Case¹ Winerack

4 wells / unit



6 wells / unit

Company Leadership

Management Team	Title	Years with Company	Experience
Chad Stephens	President, CEO and Board Director	5	<ul style="list-style-type: none"> • CEO for PHX since 2019 • SVP –Corporate Development of Range Resources for 30 years until retiring in 2018 • B.A. in Finance and Land Management from University of Texas
Ralph D’Amico	Senior Vice President, CFO	4	<ul style="list-style-type: none"> • CFO for PHX since 2020 • 20 years of investment banking experience • Bachelor’s in Finance from University of Maryland; MBA from George Washington University
Chad True	V.P. of Accounting	3	<ul style="list-style-type: none"> • >14 years of accounting experience • Audit and accounting positions with Grant Thornton LP, Tiptop Oil & Gas and Wexford Capital LP • B.S. and Masters in Accounting from Oklahoma State University
Danielle Mezo	V.P. of Engineering	3	<ul style="list-style-type: none"> • >13 years reservoir engineer experience • Reservoir engineer, acquisitions, and corporate planning positions at SandRidge Energy • B.S. in Petroleum Engineering from University of Oklahoma and licensed Professional Engineer
Carl Vandervoort	V.P. of Geology	3	<ul style="list-style-type: none"> • >14 years experience, recently managed a buy-side consulting company for private equity groups and portfolio companies • Exploration Manager for Zenergy, Inc., an Apollo Management portfolio company • B.S. in Chemistry from University of Texas; M.S. in Geophysics at University of Oklahoma
Kenna Clapp	V.P. of Land	3	<ul style="list-style-type: none"> • >13 years of land experience • Various land positions with Chesapeake Energy in Haynesville, Eagleford, Mid-Continent and Barnett shales • B.S. in Accounting and Finance from Oklahoma State University; JD from Oklahoma City University

Board of Directors	Title	Years with Company	Experience
Mark T. Behrman	Chairman	5	<ul style="list-style-type: none"> • CEO of LSB Industries, Inc. since 2018 • Managing Director and Head of Investment Banking of the Industrial and Energy Practices of Sterne Agee from 2007 to 2014 • MBA in Finance from Hofstra University and B.S. in Accounting, Minor in Finance from Binghamton University
Glen A. Brown	Director	2	<ul style="list-style-type: none"> • SVP – Exploration for Continental Resources from 2015 through 2017 • Exploration manager for EOG Resources Midcontinent from 1991 through 2003 • Bachelor’s in Geology from State University of New York; Master’s in Geology from New Mexico State University in Las Cruces
Lee M. Canaan	Director	7	<ul style="list-style-type: none"> • Founder and portfolio manager of Braeburn Capital Partners, LLC • Board member for EQT Corporation and Aethon Energy, LLC • Bachelor’s in Geological Sciences from USC, Master’s in Geophysics from UT-Austin, and MBA in Finance from Wharton
Peter B. Delaney	Director	4	<ul style="list-style-type: none"> • Principal with Tequesta Capital Partners since 2016 • Chairman and CEO of OGE Energy Corporation from 2007 through 2015
Steven L. Packebush	Director	1	<ul style="list-style-type: none"> • Founder and partner in Elevar Partners, LLC • President of Koch Ag & Energy Solutions upon his retirement in 2018 after 30 years with the company • Bachelor’s in agricultural economics from Kansas State
John H. Pinkerton	Director	2	<ul style="list-style-type: none"> • CEO of Range Resources Corporation from 1992 through 2012 • Executive Chairman and Chairman of Board of Directors for Encino Energy from 2017 through 2022 • B.A. in Business Administration from Texas Christian University; Master’s from the University of Texas at Arlington

Analyst Coverage

Firm	Analyst	Contact
Stifel Nicolaus	Derrick Whitfield	whitfieldd@stifel.com
Northland Securities	Donovan Schafer	dschafer@northlandcapitalmarkets.com
Alliance Global Partners	Jeff Grampp	jgrampp@allianceg.com
Seaport Global Securities	Nicholas Pope	npope@seaportrp.com

Appendix

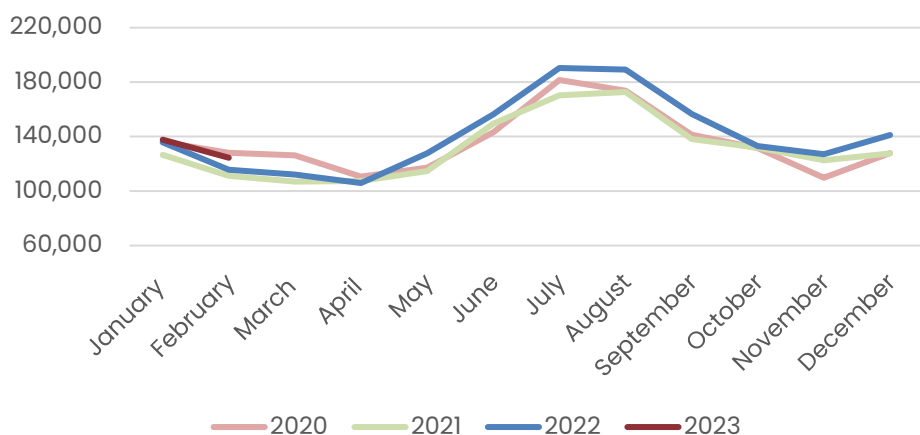
Current Hedge Position

	<u>Gas Swaps</u>		<u>Gas Collars</u>			<u>Total Gas Protection</u>
	Volume	Price	Volume	Floor	Ceiling	Volume
2Q'23	330,000	\$ 3.29	240,000	\$ 3.42	\$ 6.62	570,000
3Q'23	570,000	\$ 3.19	285,000	\$ 3.39	\$ 6.52	855,000
4Q'23	430,000	\$ 3.31	135,000	\$ 3.28	\$ 5.98	565,000
2023	1,330,000	\$ 3.25	660,000	\$ 3.38	\$ 6.44	1,990,000
1Q'24	-	\$ -	480,000	\$ 4.22	\$ 7.54	480,000
2Q'24	30,000	\$ 3.21	275,000	\$ 3.50	\$ 4.70	305,000
3Q'24	300,000	\$ 3.47	-	\$ -	\$ -	300,000
4Q'24	100,000	\$ 3.47	-	\$ -	\$ -	100,000
2024	430,000	\$ 3.45	755,000	\$ 3.96	\$ 6.51	1,185,000
	<u>Oil Swaps</u>		<u>Oil Collars</u>			<u>Total Oil Protection</u>
	Volume	Price	Volume	Floor	Ceiling	Volume
2Q'23	9,500	\$ 74.91	5,000	\$ 75.00	\$ 96.00	14,500
3Q'23	14,250	\$ 74.91	-	\$ -	\$ -	14,250
4Q'23	14,250	\$ 74.91	-	\$ -	\$ -	14,250
2023	38,000	\$ 74.91	5,000	\$ 75.00	\$ 96.00	43,000
1Q'24	-	\$ -	10,250	\$ 63.97	\$ 76.24	10,250
2Q'24	-	\$ -	6,600	\$ 63.45	\$ 76.11	6,600
3Q'24	-	\$ -	4,950	\$ 65.00	\$ 76.50	4,950
4Q'24	-	\$ -	1,650	\$ 65.00	\$ 76.50	1,650
2024	-	\$ -	23,450	\$ 64.11	\$ 76.28	23,450

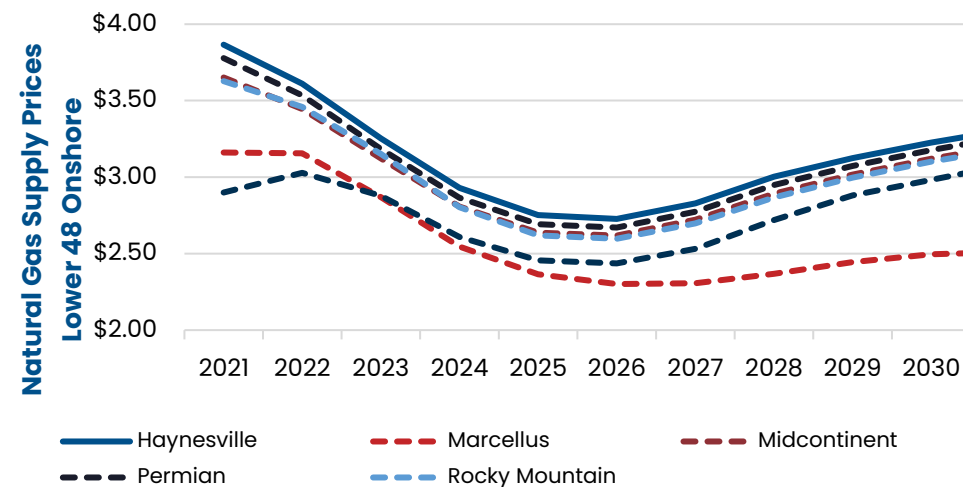
Mix of collars and swaps designed to provide upside exposure while protecting downside risk

Natural Gas – Demand

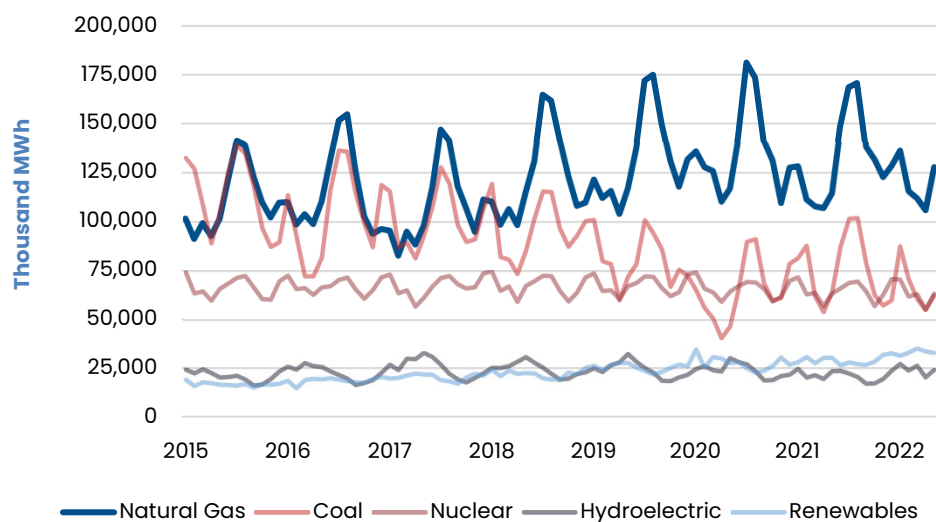
Natural Gas Electrical Generation¹



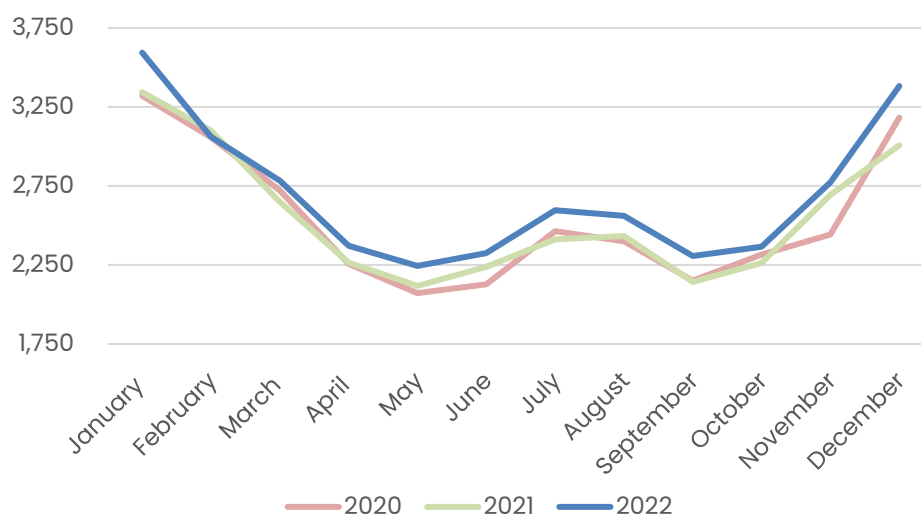
Premium Natural Gas Pricing¹



Monthly Electrical Generation by Fuel Type¹

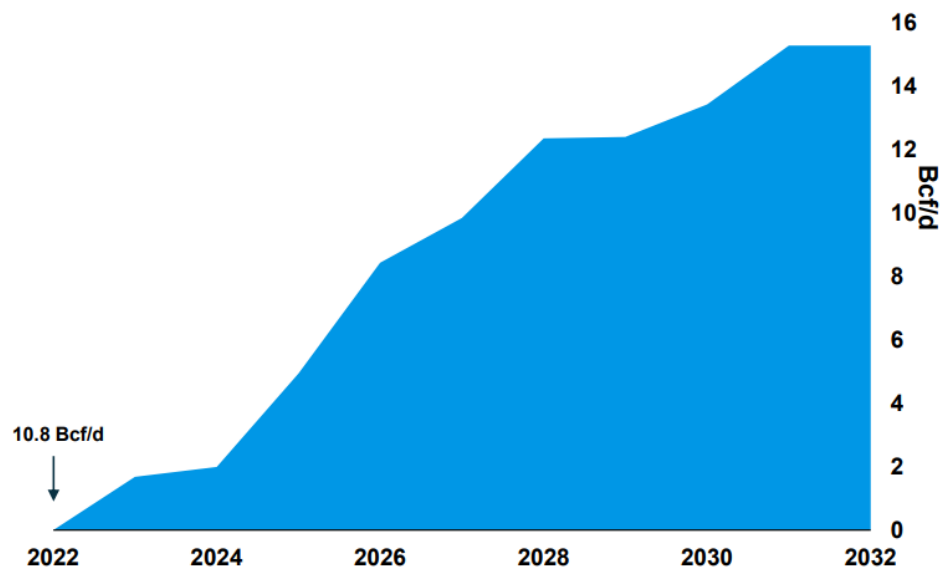


Natural Gas Consumption¹



Natural Gas – LNG

Forecasted U.S. Export Annual Volume Growth¹




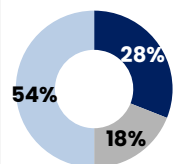
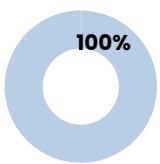
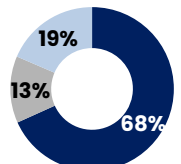
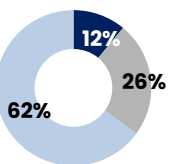
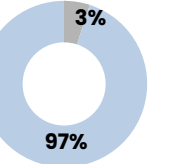
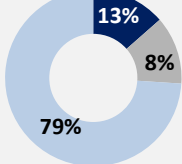







Large Scale Approved Liquefaction Facilities^{1,2}

Project Name	Bcf/d ²	Project Name	Bcf/d ²
<i>Operational</i>		<i>Awaiting FID</i>	
Sabine Pass Trains 1-6	4.6	Cameron Train 4	1.4
Cove Point	0.8	Delfin	1.8
Corpus Christi Trains 1-3	2.4	Driftwood	3.9
Cameron Trains 1-3	2.1	Freeport Train 4	0.7
Elba Island	0.4	Gulf LNG	1.5
*Freeport Trains 1-3	2.1	Lake Charles	2.3
<i>Operational/Commissioning</i>		Magnolia	1.2
Calcasieu Pass Trains 1-18	1.7	Plaquemines Phase 2	2.0
<i>Under construction</i>		Port Arthur Trains 1-2	1.9
Golden Pass Trains 1-3	2.6	Rio Grande	3.6
Plaquemines Phase 1	1.9	Texas LNG	0.6
Corpus Christi Stage III	1.6		
20.1 Bcf/d		20.8 Bcf/d	
Operational or in execution		Possible LNG export projects awaiting FID	

Surging LNG Demand

- Current LNG export capacity is fully committed
- Additional capacity of 6.1 Bcf/d is currently under construction and is expected to come online by 2025
- LNG provides producers the opportunity to supply gas to premium markets across the globe

Portfolio Overview by Basin

	Scoop	Haynesville	Bakken	Stack	Arkoma	Fayetteville	Total
Production Mix 							
Net Production (MMcfe/d)^{1,2}	2.68	12.74	2.18	3.42	2.21	1.11	27.58
Net Royalty Acres¹	10,693	7,321	4,297	7,148	12,972	11,076	52,569
Permits on File¹	27	31	3	12	5	-	86
Rigs Running on PHX Acreage³	8	15	0	2	-	-	25
Rigs Running Within 2.5 miles of PHX Acreage³	18	40	5	18	1	-	82
Top Operators							

1 As of Quarter ended 03/31/2023

2 Includes both royalty and working interest production

3 Provided by Enverus as of 04/10/2023

4 As of 03/31/2023, as determined by wells currently being drilled, wells waiting on completion, and permits

5 As of 03/31/2023, as determined by wells on production

Definition of a Mineral Interest

Minerals

- Perpetual real-property interests that grant hydrocarbon ownership under a tract of land
- Surface and mineral ownership have been negotiated in most cases over the decades
- Surface owners cannot legally prevent the development of minerals under most circumstances
- Represent the right to drill, and produce hydrocarbon or lease that right to third parties for an upfront payment and a negotiated percentage of production revenues

ORRIs

- Overriding royalty interests
- Royalty interests that burden the working interests of a lease
- Right to receive a fixed, cost-free percentage of production revenue (term limited to life of leasehold estate)

Illustrative Mineral Revenue Generation

1 Unleased Minerals

- 100% owned by PHX

2 PHX Issues a Lease

- PHX receives an upfront cash bonus payment and customarily a 20-25% royalty on production revenues
- In return, PHX delivers the right to explore and develop with the operator bearing 100% of costs for a specified lease term

3 Leased Minerals

- Revenue Share
 - PHX: 20-25%
 - Operator: 75-80%
- Cost Share
 - PHX: 0%
 - Operator: 100%

4 Lease Termination

- Upon termination of a lease, all future development rights revert to PHX to explore or lease again
- Process starts again from step 1

Royalty Interests Versus Working Interests

PHX believes that royalty assets provide a higher risk adjusted return compared to working interest assets

Illustrative Margin Comparison

Working Interest	
Mcfe Revenue	\$3.00
Less: Royalty Burden	(\$0.60) ⁽¹⁾
Less: LOE	(\$1.00)
Less: Taxes	(\$0.15)
Less: Transportation	(\$0.25)
Cash Margin (\$)	\$1.00
Cash Margin (%)	33.0%

Royalty owner's volumes come from working interest royalty burden

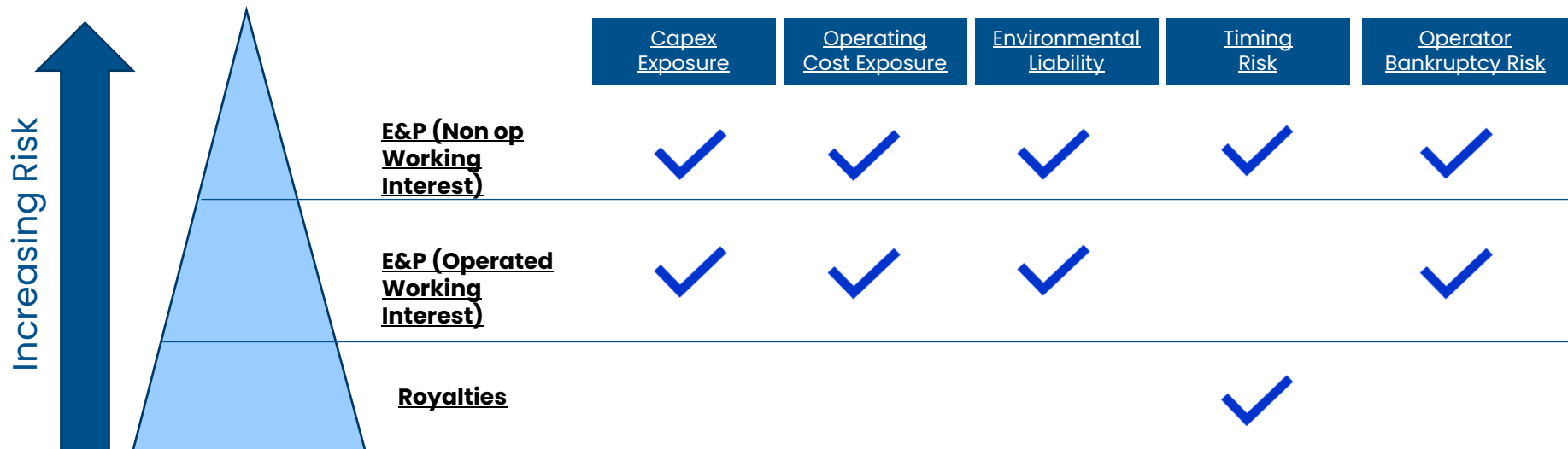
Royalty	
Mcfe Revenue	\$3.00
Less: LOE	-
Less: Taxes	(\$0.15)
Less: Transportation	(\$0.20) ⁽²⁾
Cash Margin (\$)	\$2.65
Cash Margin (%)	88.0%

- Non-operated Working interest ownership bears one hundred percent of the development and production costs associated with a hydrocarbon well.
- Non-operated Working interest owners receive their share of the revenue after the royalty interest owners are paid.

- A mineral interest is real property that entitles the owner to all the rights associated with hydrocarbons below the surface in perpetuity.
- A royalty interest is created from a mineral interest and entitles the owner to receive a certain percentage of the gross revenue generated from the sales of the hydrocarbons without incurring development and operating costs.

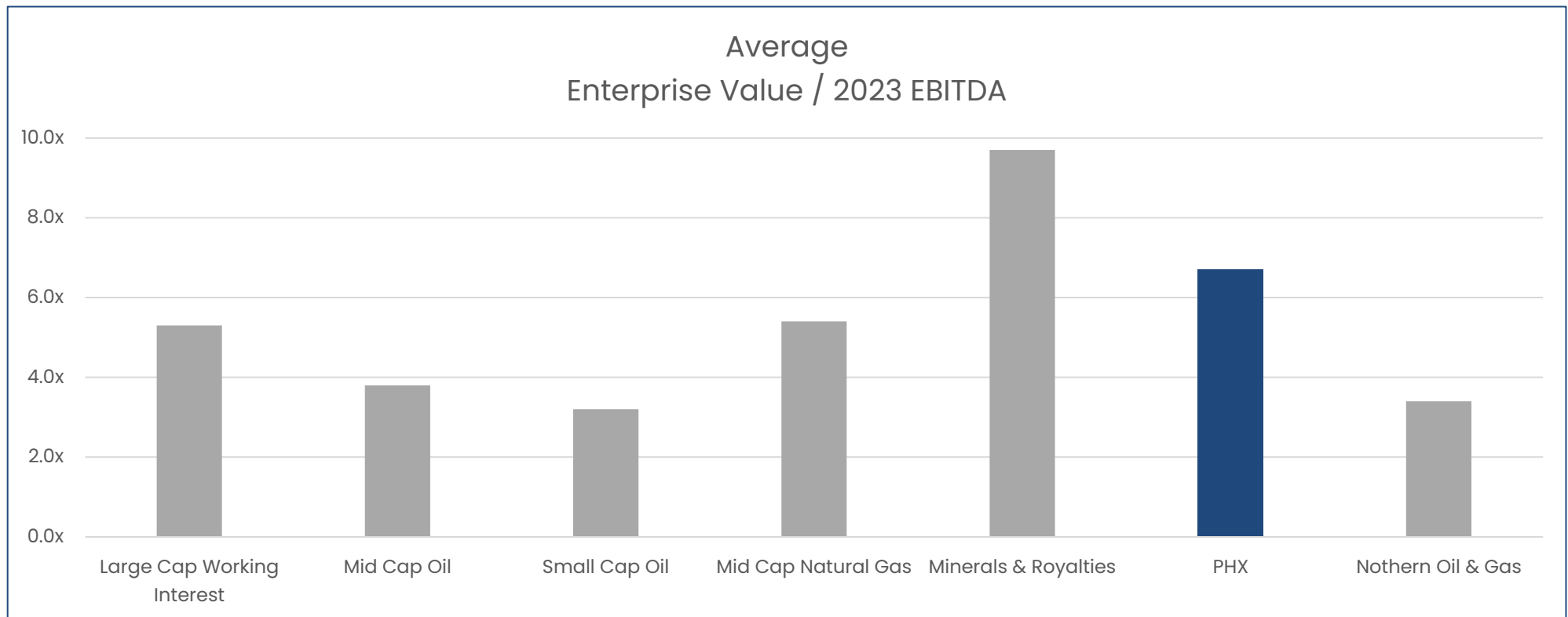
Royalty Interests Have Less Risk Than Working Interests

- Both royalties and non-operated working interest asset classes have the same exposure to pricing cycles, however,
- Royalty assets have fewer risks when compared to other hydrocarbon asset classes
 - The biggest risk associated with royalties is the lack of control over development timing
- Non-operated working interest assets have similar timing uncertainty as royalty owners
- Non-operated working interest assumes all cost to operate the well
 - Royalty owners are not subject to lease operating expenses, SG&A overhead or workover expenses



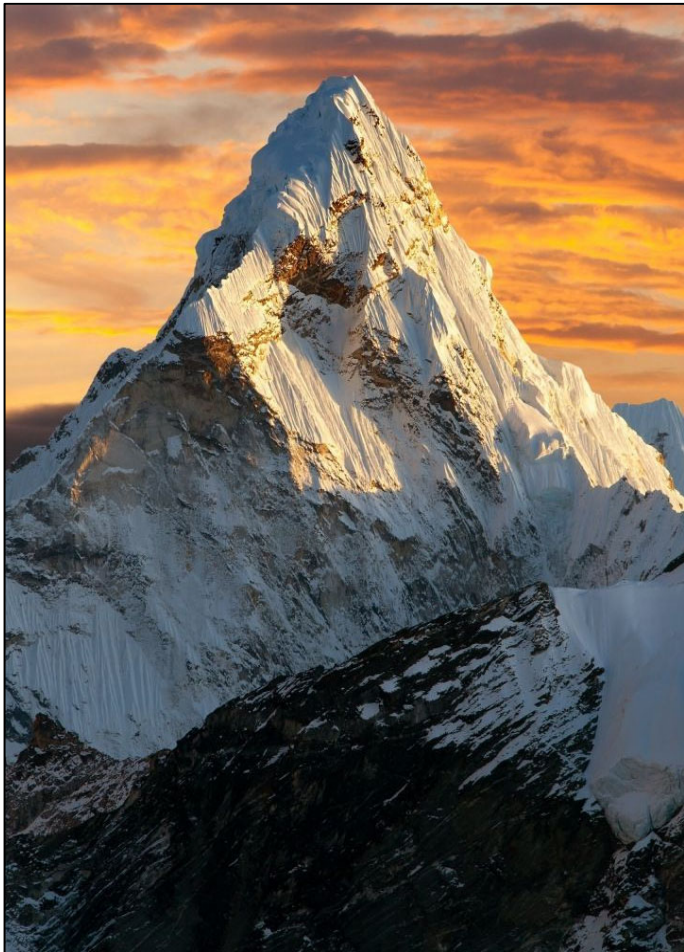
Royalty Interests Trade At Higher Multiples Than Working Interests

- Investors value working interest and royalty companies differently in the public markets
- Royalty companies trade at a premium to working interest companies primarily due to lower risk and lower capital intensity of the business
- Over time, PHX believes it should see an increase of its Enterprise Value / EBITDA ratio (adjusted for size) as the market recognizes the success of the royalties-only strategy



Minerals are Real Property

Mineral and royalty interests are generally considered by law to be real property interests and are thus afforded additional protections under bankruptcy law



Mineral Interest owner entitled to ~15–25% of production revenue based on royalty rate

Senior Secured Debt

Senior Debt

Subordinated Debt

Equity

Working Interest owner entitled to ~75–85% of production revenue based on royalty rate and bears 100% of development cost and lease operating expense

Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	Year Ended Dec. 31, 2018	Year Ended Dec. 31, 2019	Year Ended Dec. 31, 2020	Year Ended Dec. 31, 2021	Year Ended Dec. 31, 2022
Net Income	\$13.6	(\$51.6)	(\$26.4)	\$1.1	\$17.1
(+) Unrealized Gain on Derivatives	(3.1)	2.0	2.3	(1.1)	0.6
(+) Income Tax Expense	3.5	(16.8)	(8.6)	0.2	4.4
(+) Interest Expense	1.9	1.8	1.2	0.9	1.6
(+) DD&A	16.9	17.3	10.6	7.1	7.5
(+) Impairment	0.0	76.8	29.9	0.1	6.1
(+) Cash Receipts from/Payments on Off-Market Derivatives	0.0	0.0	0.0	6.1	(5.7)
(+) Restricted Stock and Deferred Director's Exp	0.9	1.0	0.9	1.2	2.6
(-) Gains (Losses) on Asset Sales	8.7	12.9	0.7	(1.8)	7.5
Adjusted EBITDA	\$25.0	\$17.6	\$9.2	\$17.4	\$26.7
(-) Interest Expense	1.9	1.8	1.2	0.9	1.6
Discretionary Cash Flow	\$23.1	\$15.8	\$8.0	\$16.5	\$25.1

Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	3 Months Ended				
	Mar. 31, 2022	June 30, 2022	Sept.30, 2022	Dec.31, 2022	Mar.31, 2023
Net Income	(\$4.0)	\$8.6	\$9.2	\$3.3	\$9.6
(+) Unrealized Gain on Derivatives	11.8	(3.3)	(1.6)	(6.3)	(3.2)
(+) Income Tax Expense	0.0	1.0	2.4	1.0	3.1
(+) Interest Expense	0.2	0.3	0.5	0.6	0.6
(+) DD&A	2.1	2.0	1.6	1.8	1.9
(+) Impairment	0.0	0.0	0.0	6.1	0.0
(+) Cash Receipts from/Payments on Off-Market Derivatives	(2.5)	(1.3)	(1.1)	(0.9)	(0.4)
(+) Restricted Stock and Deferred Director's Exp	0.5	0.6	1.0	0.6	0.6
(-) Gains (Losses) on Asset Sales	2.3	0.7	3.6	0.9	4.4
Adjusted EBITDA	\$5.8	\$7.2	\$8.4	\$5.3	\$7.7
(-) Interest Expense	0.2	0.3	0.5	0.6	0.6
Discretionary Cash Flow	\$5.6	\$6.9	\$7.9	\$4.7	\$7.1
Adjusted EBITDA	\$5.8	\$7.2	\$8.4	\$5.3	\$7.7
(-) DD&A	2.1	2.0	1.6	1.8	1.9
EBIT	\$3.7	\$5.2	\$6.9	\$3.5	\$5.9
Annualized EBIT	\$14.8	\$20.8	\$27.5	\$14.0	\$23.4
Starting Debt	20.0	24.0	28.3	28.3	33.3
Ending Debt	24.0	28.3	28.3	33.3	26.0
Average Debt	\$22.0	\$26.2	\$28.3	\$30.8	\$29.7
Starting Shareholders Equity	88.3	84.7	98.0	107.8	110.1
Ending Shareholders Equity	84.7	98.0	107.8	110.1	120.2
Average Shareholders Equity	\$86.5	\$91.4	\$102.9	\$108.9	\$115.2
Total Capital	\$108.5	\$117.5	\$131.2	\$139.7	\$144.8
ROCE	14%	18%	22%	10%	16%

Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	Year Ended Sept. 30, 2016	Year Ended Sept. 30, 2017	Year Ended Sept. 30, 2018	Year Ended Sept. 30, 2019	Year Ended Sept. 30, 2020	Year Ended Sept. 30, 2021	Year Ended Sept. 30, 2022
Net Income	\$(10.3)	\$3.5	\$14.6	(\$40.7)	(\$24.0)	(\$6.2)	\$20.4
(+) Unrealized Gain on Derivatives	4.6	(0.9)	3.9	(5.9)	3.2	4.3	2.3
(+) Income Tax Expense	(7.7)	0.7	(12.7)	(13.5)	(8.3)	(0.7)	4.2
(+) Interest Expense	1.3	1.3	1.7	2.0	1.3	1.0	1.2
(+) DD&A	24.5	18.4	18.4	18.2	11.3	7.7	7.3
(+) Impairment	12.0	0.7	0.0	76.8	29.9	0.1	0.0
(+) Cash Receipts from/Payments on Off-Market Derivatives	0.0	0.0	0.0	0.0	0.0	8.8	(7.5)
(+) Restricted Stock and Deferred Director's Exp	1.1	1.0	1.0	1.0	1.0	1.0	2.4
(-) Gains (Losses) on Asset Sales	2.7	(0.1)	(0.7)	18.7	4.0	0.3	4.4
Adjusted EBITDA	\$22.9	\$24.7	\$27.6	\$19.2	\$10.5	\$15.7	\$25.8
(-) DD&A	24.5	18.4	18.4	18.2	11.3	7.7	7.3
EBIT	(\$1.6)	\$6.3	\$9.2	\$1.0	(\$0.8)	\$8.0	\$18.5
Starting Debt	65.0	44.5	52.2	51.0	35.4	28.8	17.5
Ending Debt	44.5	52.2	51.0	35.4	28.8	17.5	28.3
Average Debt	\$54.8	\$48.4	\$51.6	\$43.2	\$32.1	\$23.1	\$22.9
Starting Shareholders Equity	127.0	115.2	116.7	128.8	79.3	63.0	78.7
Ending Shareholders Equity	115.2	116.7	128.8	79.3	63.0	78.7	107.8
Average Shareholders Equity	\$121.1	\$115.9	\$122.7	\$104.0	\$71.2	\$70.9	\$93.2
Total Capital	\$175.8	\$164.3	\$174.3	\$147.2	\$103.2	\$94.0	\$116.1
ROCE	(1%)	4%	5%	1%	(1%)	9%	16%