



**NYSE: PHX**

# Investor Presentation

March 2024



# Cautionary Statement Regarding Forward-Looking Statements

This presentation does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any security of PHX Minerals Inc. (“PHX” or the “Company”). No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or an exemption therefrom.

## Cautionary Statement Regarding Forward-Looking Statements

This presentation 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. All statements, other than statements of historical fact, included in this presentation that address activities, events or developments that the company expects, believes or anticipates will or may occur in the future are forward looking statements. The words “anticipates”, “plans”, “estimates”, “believes”, “expects”, “intends”, “will”, “should”, “may” and similar expressions may be used to identify forward-looking statements. Forward-looking statements may include, but are not limited to, statements relating to: our ability to execute our business strategies; the volatility of realized natural gas and oil prices; the level of production on our 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; our 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 we invest; and other economic, competitive, governmental, regulatory or technical factors affecting our properties, operations or prices. Although the Company believes the expectations reflected in these and other forward-looking statements are reasonable, the Company can give no assurance such statements 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 Report 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](http://www.sec.gov).

Readers 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 the forward-looking statements. The forward-looking statements in this presentation 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.

## 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 December 31, 2023, 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.

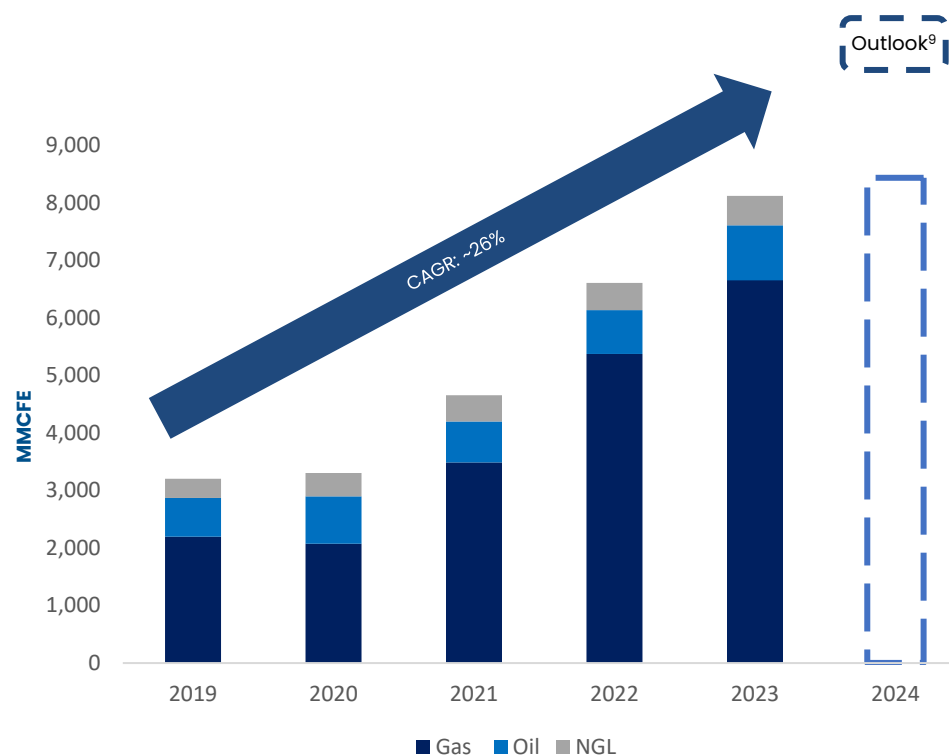
# Company Snapshot

## Key Statistics

\$ in millions

Market Cap <sup>1</sup>	\$112.4
Enterprise Value <sup>2</sup>	\$144.4
Liquidity <sup>3</sup>	\$22.3
Dividend Yield <sup>4</sup>	4.00%
Leverage <sup>5</sup>	1.45x
Cal. 2023 Adjusted EBITDA <sup>6</sup>	\$22.7
Cal. 2023 Discretionary Cash Flow Yield <sup>6</sup>	~16%
Cal. 2023 ROCE <sup>6</sup>	~9%
Percent of 3P Reserves – Natural Gas <sup>7</sup>	~77%
Net Leased Royalty Acres <sup>8</sup>	93,349

## Sustainable Organic Royalty Production Growth



Source: Company information and Enverus

1 Based on \$3.00 per share as of 2/12/2024 and 37.5 million shares outstanding on a fully diluted basis as of 12/31/2023

2 Market Cap plus debt of \$32.8 million minus cash on hand of \$0.8 million as of 12/31/2023

3 Calculated as working capital (current assets less current liabilities excluding current derivatives) plus availability on the borrowing base. See Non-GAAP reconciliation in Appendix

4 Based on \$0.12 annualized Dividend per share

5 Total Debt / TTM Adjusted EBITDA; See Non-GAAP Reconciliation in Appendix

6 See Non-GAAP reconciliation in Appendix

7 3P Reserves per 12/31/2023 CGA Year End Report 12/31/2023 at 12/31/2023 SEC price deck of \$76.85 per bbl of oil, \$21.98 per bbl of NGL, \$2.67 per mcf of gas (proved volume weighted average price)

8 As of 12/31/2023; PHX also owns 166,142 unleased net royalty acres normalized to a 1/8<sup>th</sup> royalty

9 At mid-point of production outlook (see page 10)

# Strategy Execution

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## Goals Set in early 2020

### High Grade Asset Base

- Grow royalty production
- Increase inventory of undeveloped locations
- Improve operating margins
- Exit working interest assets



## Achievements Through Dec. 31, 2023

- Total royalty volume growth since 2020: ~146%
- Grown 2P royalty reserves by ~151%
- Mineral acquisitions completed: ~\$132 million
- Built a 10+ year inventory of line-of-sight mineral development locations
- Discretionary cash flow margin has increased from 36% to 56%
- Working interest wellbores sold: 1,382

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### Build a strong and sustainable balance sheet

- Improve balance sheet designed to withstand commodity price volatility

- Maintained leverage ratio between 1.0x and 1.5x compared to over 2.5x in 2020
- Entered into a new and improved commercial bank relationship

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### Become a consolidator in the mineral space

- Allocate capital to generate the best possible returns to shareholders

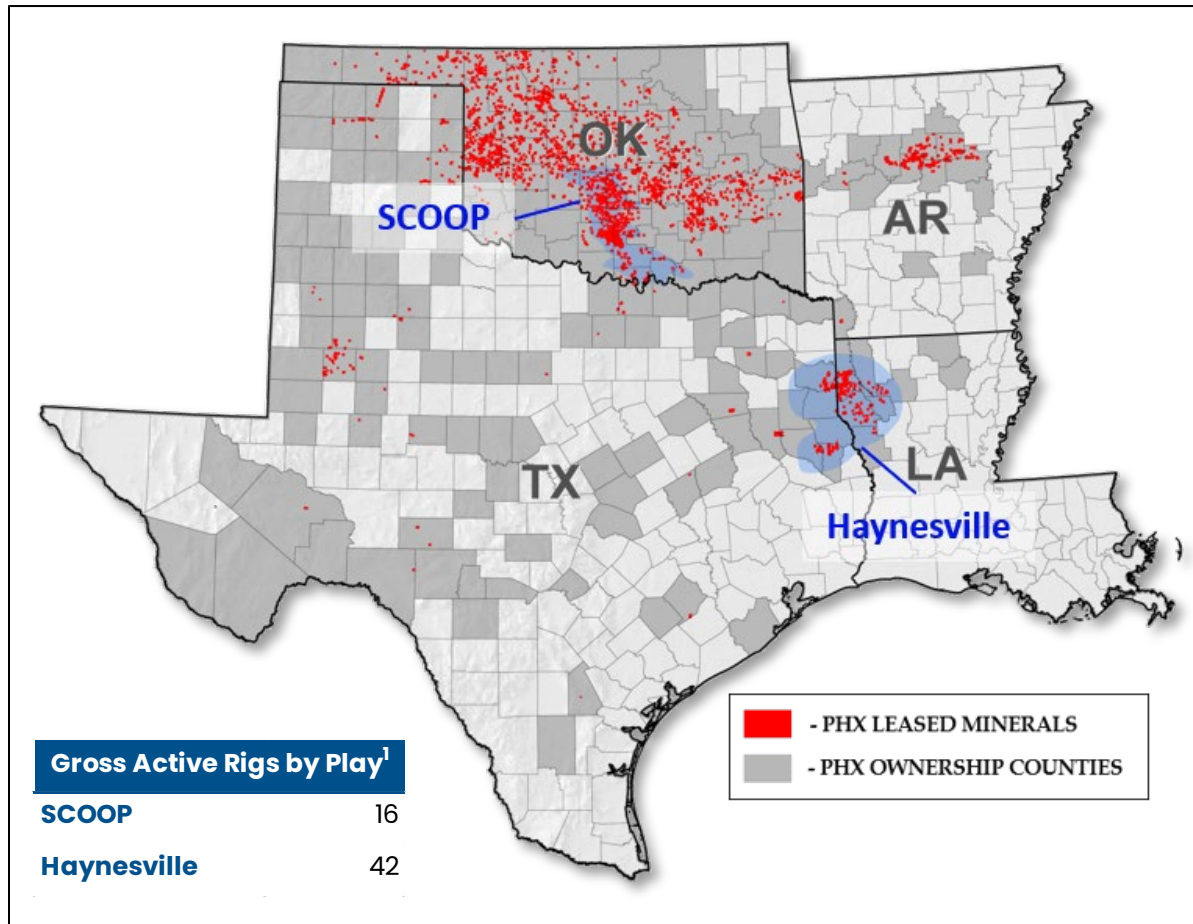
- Mineral acquisitions completed: 78
- Focus on smaller acquisition in targeted areas: ~\$1.7 million average deal size generates higher returns with less competition

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### Generate return on capital employed (ROCE)

- Generated annual ROCE<sup>1</sup> between 9% and 15% since 2021; up from ~0% in 2019 and 2020
- Return profile driven by royalty volume growth associated with new wells converting from undeveloped locations

# Focused in SCOOP and Haynesville



- PHX targets areas in key plays with significant active operator development activity
- Provides line of sight to conversion of undeveloped locations to cash flow

## Key Operators of PHX Minerals

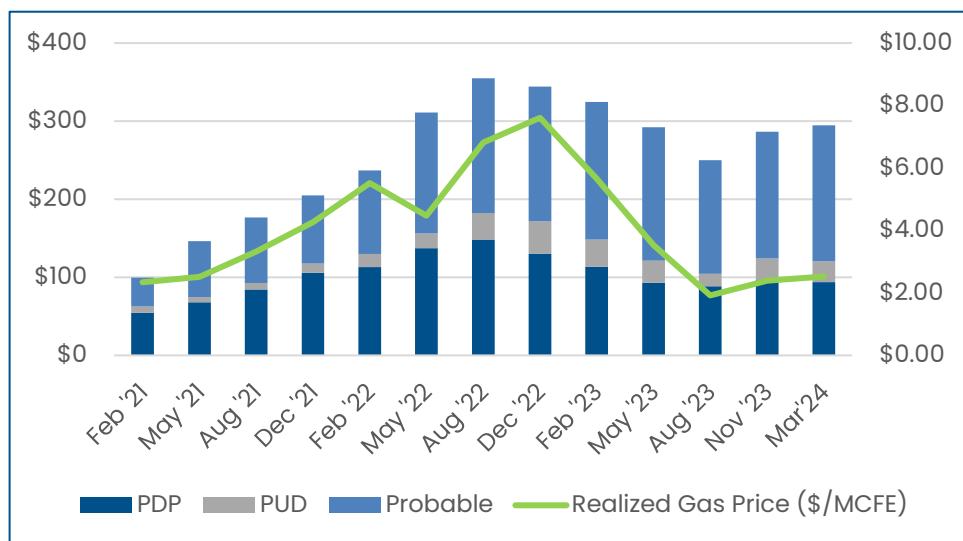




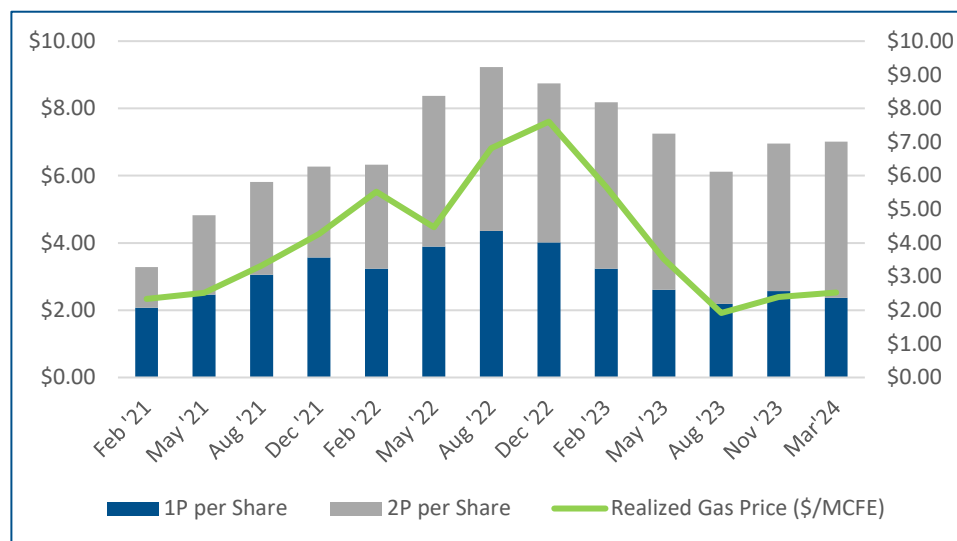
# Per Share NAV Continues to Grow

- Significant improvement in NAV 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
- High grading assets with mineral acquisition program, despite divesting of non-operated working interest, has grown PV10 value and increased NAV per share since change in strategy
- Below reserve value independently verified by DeGolyer & MacNaughton (2021) and Cawley, Gillespie and Associates, Inc (2022-2023)
- Current asset base has lower risk, higher growth profile, and improved margins than the PHX pre-2020 legacy asset base

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



**NAV per Share Net of Debt**

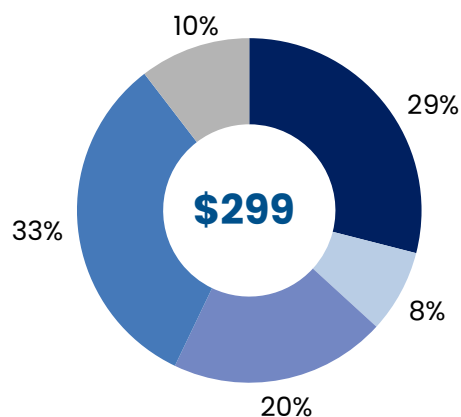


Next Twelve-Month NYMEX strip for oil and natural gas as of date reserves analysis was compiled

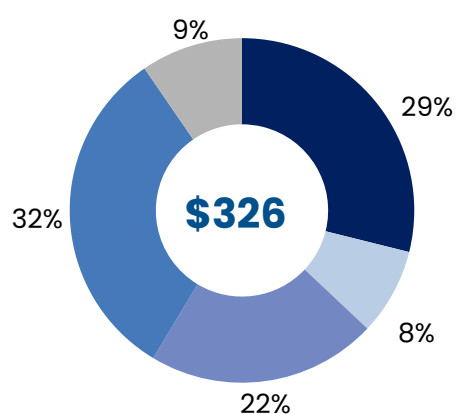
# Reserves Value Summary

Reserve Category	PV-10 Value (\$mm)		
	SEC <sup>1</sup>	Strip <sup>2</sup>	\$80 / \$5.00 <sup>3</sup>
PDP	\$86.7	\$94.2	\$141.7
Wells in Progress	\$17.2	\$19.2	\$30.6
Permits	\$6.1	\$7.4	\$10.6
<b>Total Proved Reserves</b>	<b>\$110.0</b>	<b>\$120.7</b>	<b>\$183.0</b>
Technical PUDs <sup>4</sup>	\$60.8	\$70.4	\$95.6
<b>Adjusted Proved Reserves</b>	<b>\$170.8</b>	<b>\$191.1</b>	<b>\$278.6</b>
PROB <sup>5</sup>	\$97.1	\$103.7	\$138.4
POSS <sup>5</sup>	\$31.2	\$31.2	\$41.0
<b>Total 3P Reserves</b>	<b>\$299.1</b>	<b>\$326.1</b>	<b>\$458.0</b>
<b>Proved PV-10 Per Share<sup>6</sup></b>	<b>\$2.08</b>	<b>\$2.37</b>	<b>\$4.03</b>
<b>Adjusted Proved PV-10 Per Share<sup>6</sup></b>	<b>\$3.70</b>	<b>\$4.25</b>	<b>\$6.58</b>
<b>2P PV-10 Per Share<sup>6</sup></b>	<b>\$6.30</b>	<b>\$7.01</b>	<b>\$10.27</b>
<b>3P PV-10 Per Share<sup>6</sup></b>	<b>\$7.13</b>	<b>\$7.85</b>	<b>\$11.37</b>

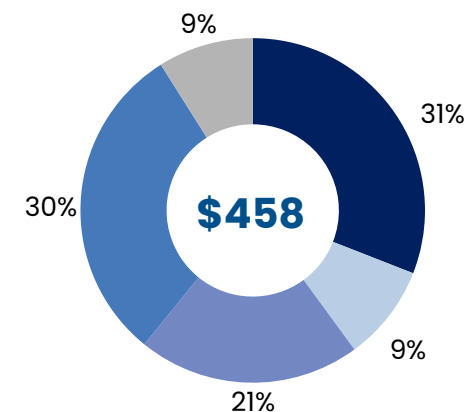
SEC Pricing<sup>1</sup>



Strip Pricing<sup>2</sup>



\$80/\$5.00 Flat Pricing<sup>3</sup>



■ PDP ■ WIP/PERMIT ■ TECH PUD ■ PROB ■ POSS

1 3P Reserves per CGA Year End 2023 Report as of 12/31/2023 at 12/31/2023 SEC price deck of \$76.85 per bbl of oil, \$21.98 per bbl of NGL, \$2.67 per mcf of gas (proved volume weighted average price)

2 3P Reserves per CGA Year End 2023 Report as of 12/31/2023 at 2/12/2024 STRIP price of WTI/HH 2024: \$75.63/\$2.34, 2025: \$71.28/\$3.43, 2026: \$67.87/\$3.76, 2027: \$65.82/\$3.74, 2028: \$64.82/\$3.71, 2029: \$64.59/\$3.68, 2030: \$64.78/\$3.57, 2031: \$65.00/\$3.62, 2032: \$65.21/\$3.41, 2033: \$65.37/\$3.35, 2034: \$65.65/\$3.41, 2035+: \$65.78/\$3.57.

3 3P Reserves per CGA Year End 2023 Report as of 12/31/2023 at flat price deck of \$80.00 WTI / \$5.00 HH.

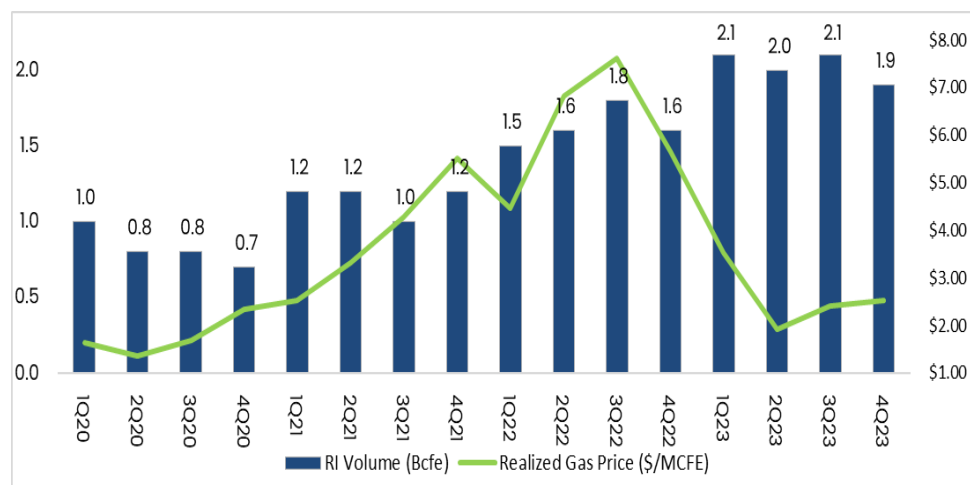
4 Technical PUDs, reviewed and approved by Cawley, Gillespie and Associates, Inc., share all technical merits of PUDs but development timing is uncertain, therefore Technical PUDs are not included in PHX's SEC Proved Reserve Report. However, PHX Technical PUDs may be PUDs in their respective operator's reserve report.

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

6 PV-10 less net debt of \$31.9 MM as of 12/31/2023 divided by total shares outstanding as of 12/31/2023

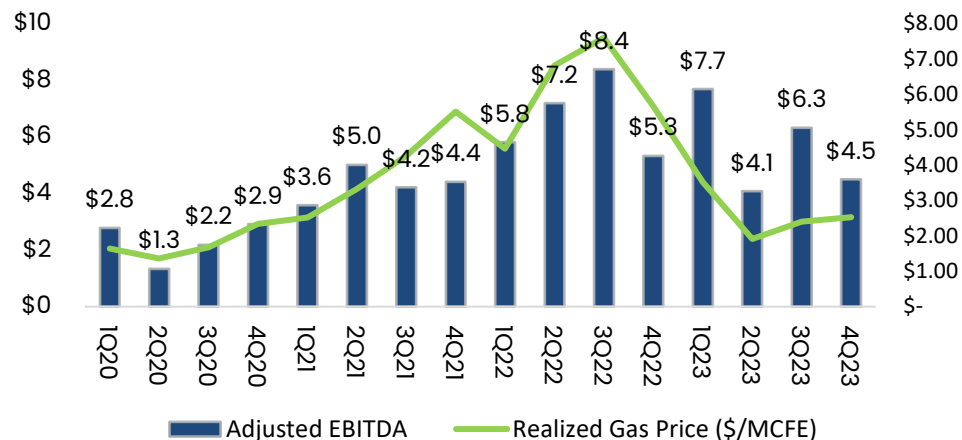
# Royalty Cash Flow Driving Shareholder Value

## Royalty Production and Realized Natural Gas Price



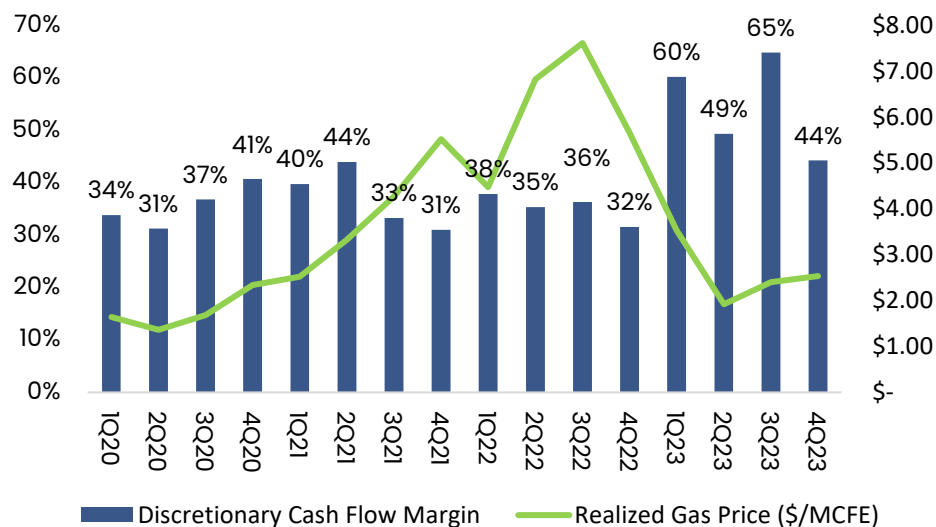
## Adjusted EBITDA<sup>1</sup>

\$ in millions

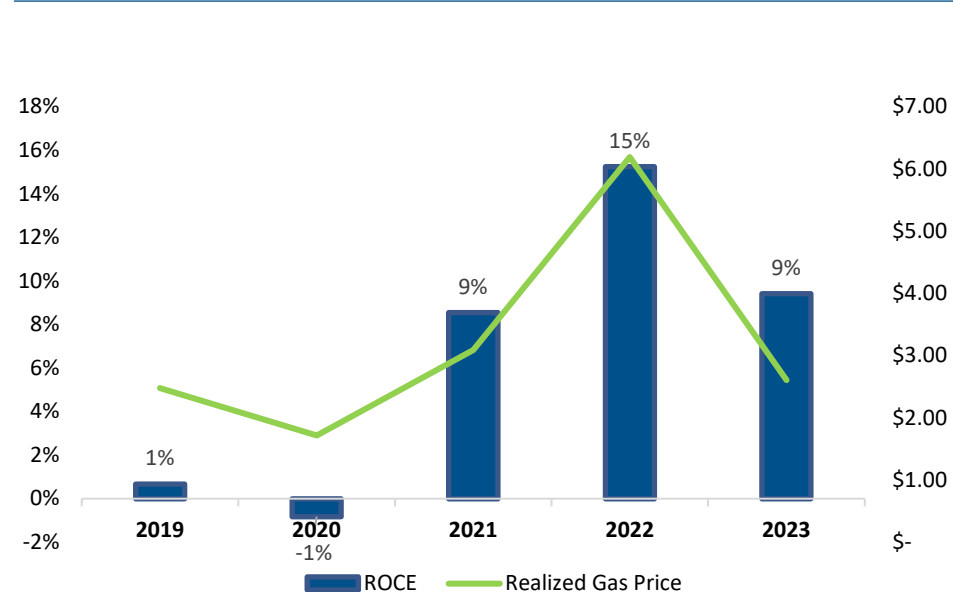


## Discretionary Cash Flow Margin<sup>2</sup>

\$ in millions



## Return on Capital Employed<sup>3</sup>



Source: Company filings ; All quarters are in Calendar Year

<sup>1</sup> 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; See Non-GAAP reconciliation in Appendix

<sup>2</sup> Calculated as Adjusted EBITDA minus interest expense divided by total oil and gas sales

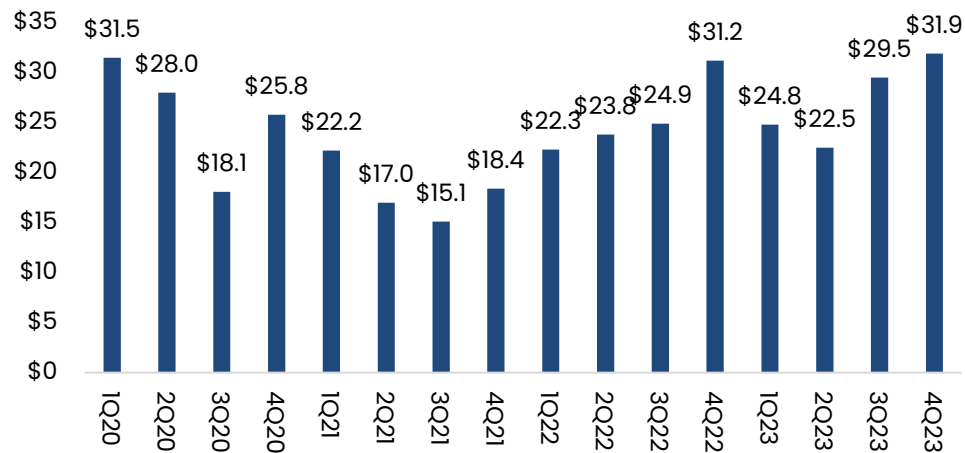
<sup>3</sup> See Non-GAAP reconciliation in Appendix



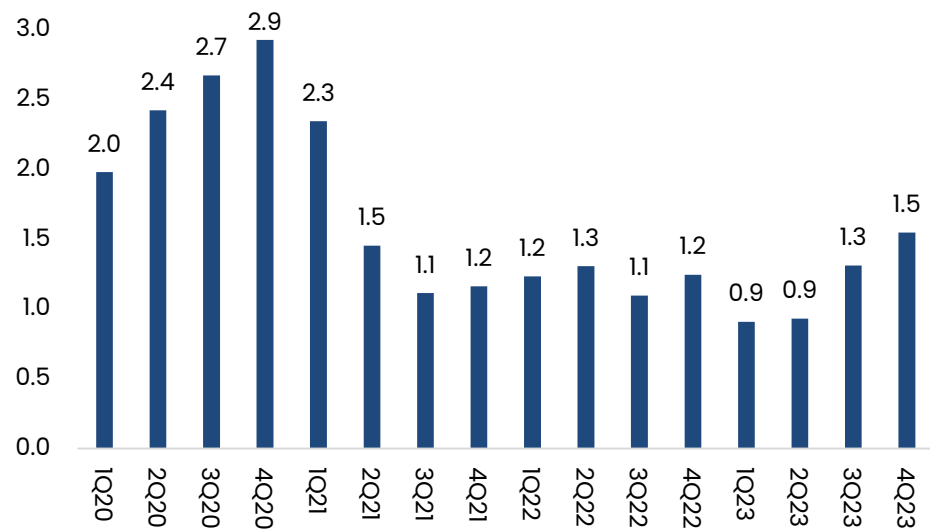
# Stable Balance Sheet & Ample Liquidity

## Net Debt <sup>1</sup>

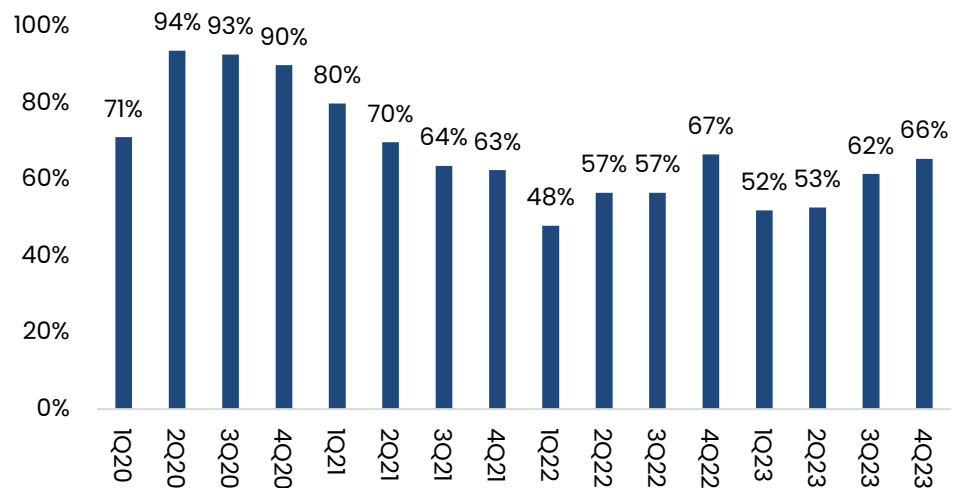
\$ in millions



## Debt / Adjusted EBITDA<sup>2</sup> (TTM)

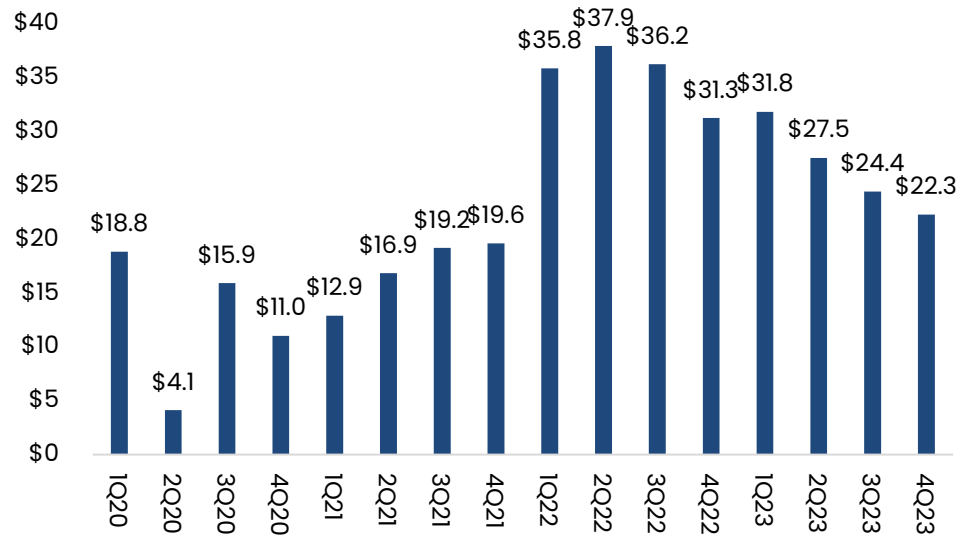


## Percentage Drawn on Credit Facility Advance Rate



## Liquidity<sup>3</sup>

\$ in millions



Source: Company filings ; All quarters are in Calendar Year

<sup>1</sup> Total debt less cash

<sup>2</sup> Total Debt / Adjusted EBITDA; See Non-GAAP reconciliation in Appendix

<sup>3</sup> Calculated as working capital (current assets less current liabilities excluding current derivatives) plus availability on the borrowing base; See Non-GAAP reconciliation in Appendix

# PHX Operational Outlook

- Calendar 2024 production derived from wells already on production and wells currently being drilled/completed by operators
- Total corporate volumes forecasted to increase for the first time since 2020 after completing our transition away from non-op working interest

	Cal. Year 2022 Actual	Cal. 2023 YTD Actual	Cal. Year 2024 Outlook
Mineral & Royalty Production (Mmcfe)	6,613	8,123	8,100 – 8,800
Working Interest Production (Mmcfe)	3,084	1,256	1,000 – 1,200
<b>Total Production (Mmcfe)</b>	<b>9,697</b>	<b>9,379</b>	<b>9,100 – 10,000</b>
Percentage Natural Gas	78%	80%	79% – 82%
Transportation, Gathering & Marketing (per mcfe)	\$0.63	\$0.39	\$0.38 – \$0.43
Production Tax (as % of pre-hedge sales)	4.50%	5.20%	5.00% – 5.50%
LOE Expenses (on an absolute basis in 000's)	\$3,807	\$1,599	\$1,100 – \$1,300
Cash G&A(1) (on an absolute basis in 000's)	\$9,900	\$9,500	\$9,700 – \$9,900

# PHX Financial Outlook

**PHX's growth strategy has the potential to significantly increase its operating cash flow to over \$40 million annually by Fiscal Year 2026; representing a 100% increase from the current run rate**

		NYMEX Natural Gas (\$/mcf)	
		\$2.50	\$5.00
WTI (\$/bbl)	\$70	<b>~\$22 Million</b>	<b>~\$40 Million</b>
	\$90	<b>~\$25 Million</b>	<b>~\$44 Million</b>

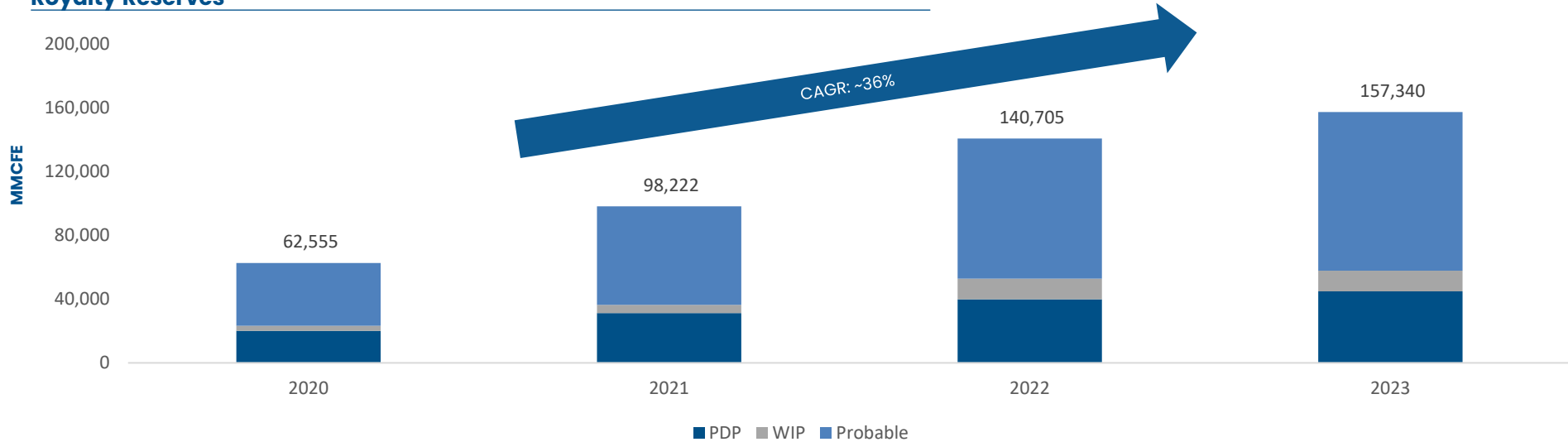
## Key Assumptions

- Between 250 / 300 gross (1.1 / 1.3 net) wells converted to PDP annually in 2024 – 2026
- PHX has an 8-year inventory of drilling locations
- Does not assume additional acquisitions
- Cash flow used to paydown debt; fully paid down in less than 18 months

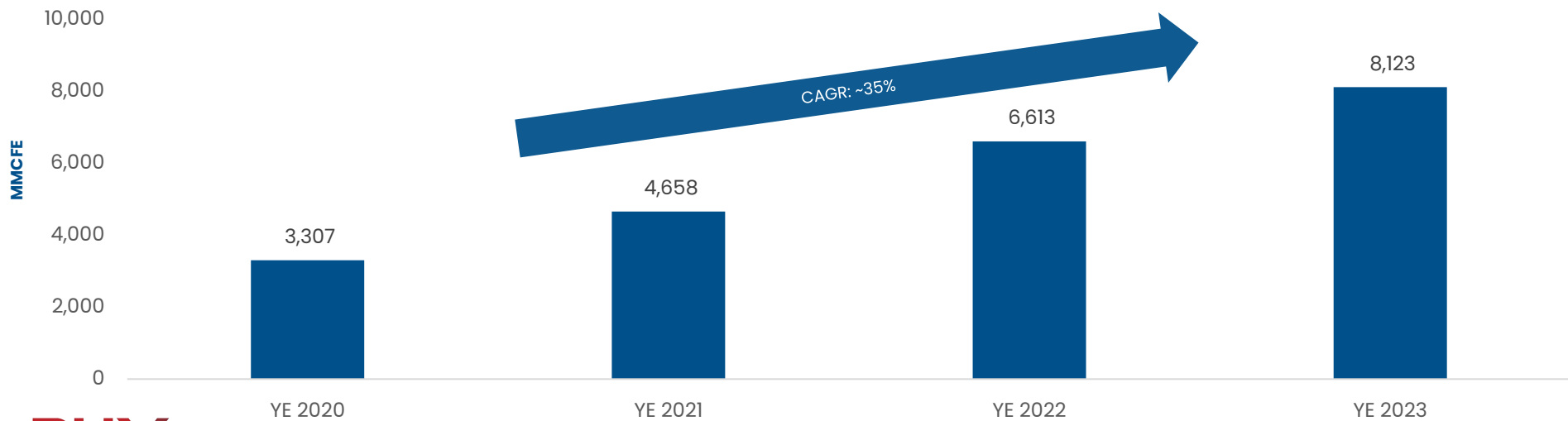
# Royalty Reserve Growth

Sustainable royalty reserve and production growth through conversion of existing mineral location inventory

## Royalty Reserves



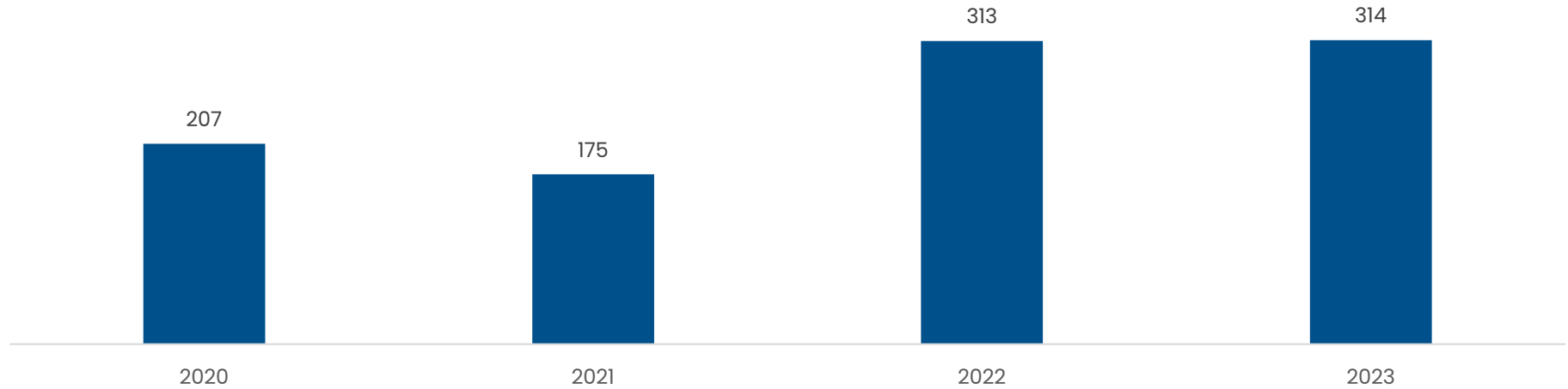
## Royalty Production



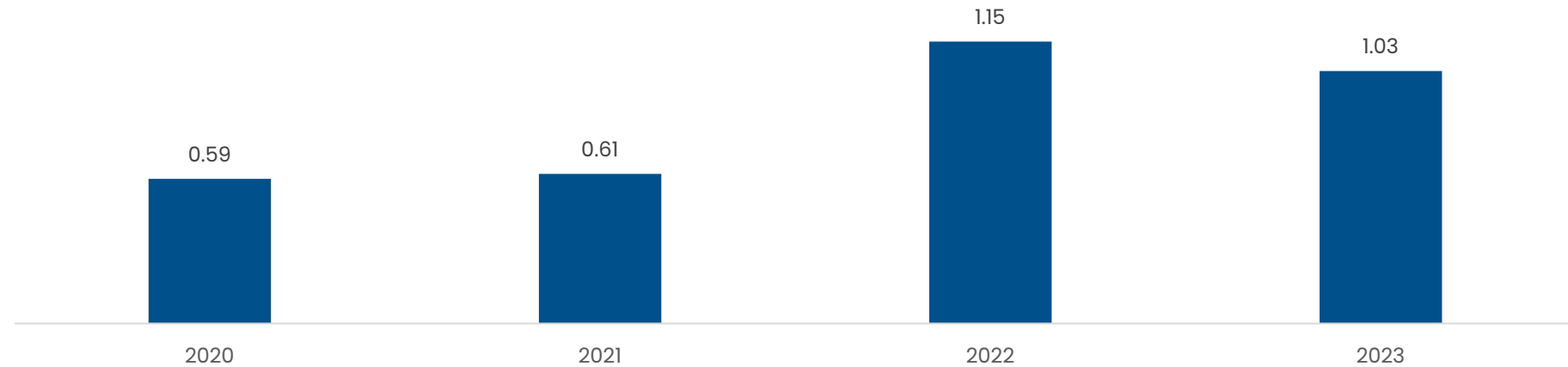
# Yearly Conversions To Producing Wells

Strong drilling activity on our mineral assets provides sustainable annual royalty production growth

## Gross Conversions



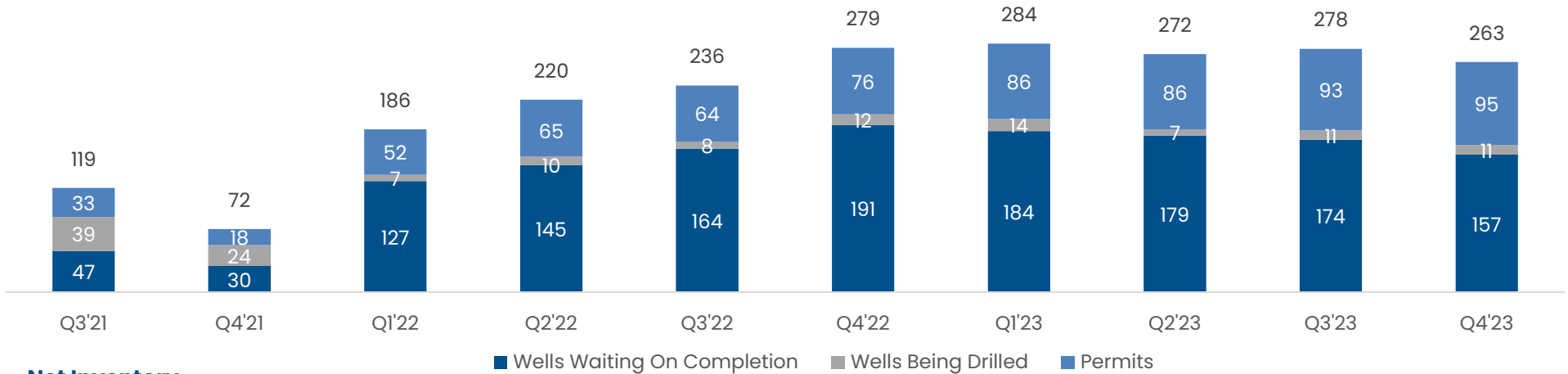
## Net Conversions



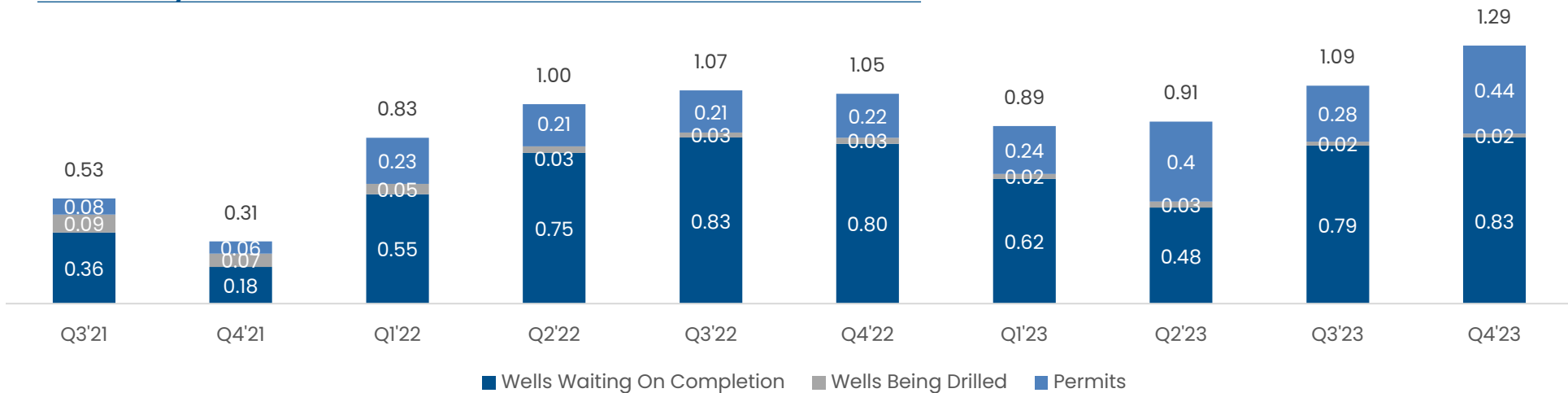
# Quarterly Near-Term Drilling Inventory

Continuous conversion of undrilled location inventory will drive future royalty volume growth

## Gross Inventory



## Net Inventory



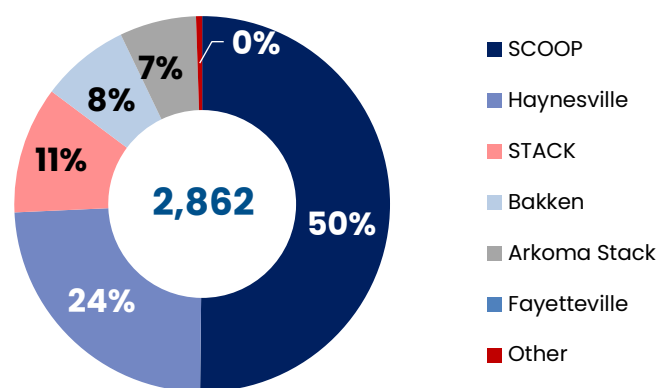
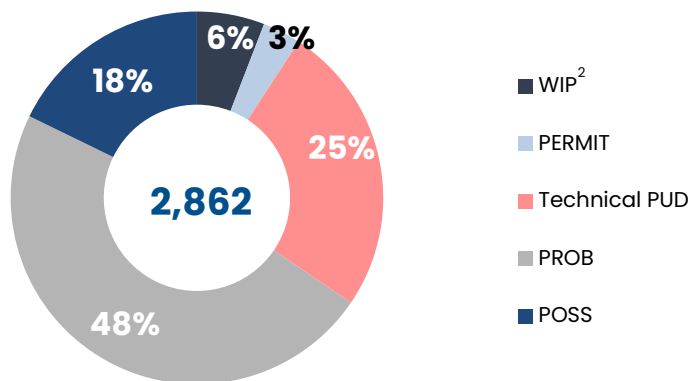


# Royalty Interest Inventory by Basin

Continuous conversion of undrilled location inventory will drive future royalty volume growth

Sub-region	Gross PDP Wells <sup>1</sup>	Net PDP Wells <sup>1,3</sup>	Undeveloped Locations <sup>1</sup>									
			Gross Wells In Progress <sup>2</sup>	Net Wells in Progress <sup>3</sup>	Gross Permits	Net Permits <sup>3</sup>	Gross Technical PUDs <sup>4</sup>	Net Technical PUDs <sup>3,4,5</sup>	Gross PROB	Net PROB <sup>3,5</sup>	Gross POSS	Net POSS <sup>3,5</sup>
SCOOP	1,100	4.639	57	0.227	35	0.151	258	1.015	733	2.113	353	1.251
Haynesville	582	3.382	87	0.537	44	0.246	327	1.136	228	0.639	4	0.003
STACK	400	1.721	5	0.023	5	0.011	71	0.391	172	1.056	60	0.576
Bakken	619	1.786	8	0.043	0	0.000	67	0.248	135	0.829	9	0.146
Arkoma Stack	531	4.759	2	0.001	5	0.002	2	0.003	97	1.745	83	0.924
Fayetteville	1,073	6.454	0	0.000	0	0.000	0	0	0	0	0	0
Other	2,018	16.683	9	0.020	6	0.034	0	0	0	0	0	0
<b>Total</b>	<b>6,323</b>	<b>39.424</b>	<b>168</b>	<b>0.851</b>	<b>95</b>	<b>0.444</b>	<b>725</b>	<b>2.793</b>	<b>1,365</b>	<b>6.381</b>	<b>509</b>	<b>2.900</b>

## Gross Undeveloped Locations



Note:

1 As of 12/31/2023

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

# Analyst Coverage

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Firm	Analyst	Contact
Stifel Nicolaus	Derrick Whitfield	whitfieldd@stifel.com
Johnson Rice	Charles Meade	cmeade@jrco.com
Northland Securities	Donovan Schafer	dschafer@northlandcapitalmarkets.com
Alliance Global Partners	Jeff Grampp	jgrampp@allianceg.com


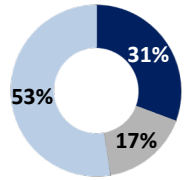
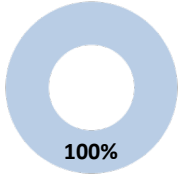
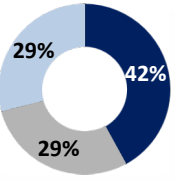
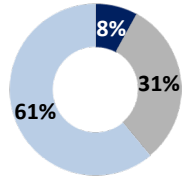
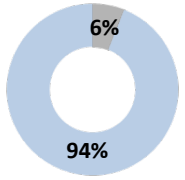
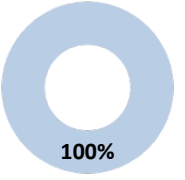
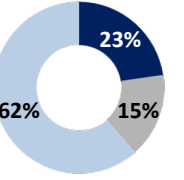
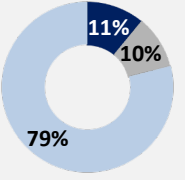

























# Appendix

# Company Leadership

Management Team	Title	Years with Company	Experience
<b>Chad Stephens</b>	President, CEO and Board Director	5	<ul style="list-style-type: none"> <li>• CEO for PHX since 2019</li> <li>• SVP –Corporate Development of Range Resources for 30 years until retiring in 2018</li> <li>• B.A. in Finance and Land Management from University of Texas</li> </ul>
<b>Ralph D’Amico</b>	Executive Vice President, CFO	5	<ul style="list-style-type: none"> <li>• CFO for PHX since 2020</li> <li>• 20 years of investment banking experience</li> <li>• Bachelor’s in Finance from University of Maryland; MBA from George Washington University</li> </ul>
<b>Chad True</b>	S.V.P. of Accounting	4	<ul style="list-style-type: none"> <li>• &gt;16 years of accounting experience</li> <li>• Audit and accounting positions with Grant Thornton LP, Tiptop Oil &amp; Gas and Wexford Capital LP</li> <li>• B.S. and Masters in Accounting from Oklahoma State University</li> </ul>
<b>Danielle Mezo</b>	V.P. of Engineering	3	<ul style="list-style-type: none"> <li>• &gt;14 years reservoir engineer experience</li> <li>• Reservoir engineer, acquisitions, and corporate planning positions at SandRidge Energy</li> <li>• B.S. in Petroleum Engineering from University of Oklahoma and licensed Professional Engineer</li> </ul>
<b>Kenna Clapp</b>	V.P. of Land	3	<ul style="list-style-type: none"> <li>• &gt;14 years of land experience</li> <li>• Various land positions with Chesapeake Energy in Haynesville, Eagleford, Mid-Continent and Barnett shales</li> <li>• B.S. in Accounting and Finance from Oklahoma State University; JD from Oklahoma City University</li> </ul>
<b>Taylor McClain</b>	V.P. of Geology	<1	<ul style="list-style-type: none"> <li>• &gt;10 years of experience across multiple basins including Appalachia, Haynesville, Permian and Mid-Continent</li> <li>• Various exploration and production Geologist positions with Range Resources, UBS and Redfield Energy</li> <li>• B.S. in Geoscience from Pennsylvania State University and a Masters in Geology from West Virginia University</li> </ul>

Board of Directors	Title	Years with Company	Experience
<b>Mark T. Behrman</b>	Chairman	7	<ul style="list-style-type: none"> <li>• CEO of LSB Industries, Inc. since 2018</li> <li>• Managing Director and Head of Investment Banking of the Industrial and Energy Practices of Sterne Agee from 2007 to 2014</li> <li>• MBA in Finance from Hofstra University and B.S. in Accounting, Minor in Finance from Binghamton University</li> </ul>
<b>Glen A. Brown</b>	Director	3	<ul style="list-style-type: none"> <li>• SVP – Exploration for Continental Resources from 2015 through 2017</li> <li>• Exploration manager for EOG Resources Midcontinent from 1991 through 2003</li> <li>• Bachelor’s in Geology from State University of New York; Master’s in Geology from New Mexico State University in Las Cruces</li> </ul>
<b>Lee M. Canaan</b>	Director	8	<ul style="list-style-type: none"> <li>• Founder and portfolio manager of Braeburn Capital Partners, LLC</li> <li>• Board member for EQT Corporation and Aethon Energy, LLC</li> <li>• Bachelor’s in Geological Sciences from USC, Master’s in Geophysics from UT-Austin, and MBA in Finance from Wharton</li> </ul>
<b>Peter B. Delaney</b>	Director	5	<ul style="list-style-type: none"> <li>• Principal with Tequesta Capital Partners since 2016</li> <li>• Chairman and CEO of OGE Energy Corporation from 2007 through 2015</li> </ul>
<b>Steven L. Packebush</b>	Director	2	<ul style="list-style-type: none"> <li>• Founder and partner in Elevar Partners, LLC</li> <li>• President of Koch Ag &amp; Energy Solutions upon his retirement in 2018 after 30 years with the company</li> <li>• Bachelor’s in agricultural economics from Kansas State</li> </ul>
<b>John H. Pinkerton</b>	Director	3	<ul style="list-style-type: none"> <li>• CEO of Range Resources Corporation from 1992 through 2012</li> <li>• Executive Chairman and Chairman of Board of Directors for Encino Energy from 2017 through 2022</li> <li>• B.A. in Business Administration from Texas Christian University; Master’s from the University of Texas at Arlington</li> </ul>

# Portfolio Overview by Basin

	Scoop	Haynesville	Bakken	Stack	Arkoma	Fayetteville	Other	Total
<b>Production Mix</b> 								
<b>Net Production (MMcfe/d)<sup>1,2</sup></b>	3.90	11.22	1.26	3.18	1.16	1.06	2.63	<b>24.40</b>
<b>Leased Net Royalty Acres<sup>1</sup></b>	9,471	8,320	3,999	6,849	9,932	8,395	46,383	<b>93,349<sup>4</sup></b>
<b>Permits on File<sup>1</sup></b>	35	44	-	5	5	-	6	<b>95</b>
<b>Rigs Running on PHX Acreage<sup>3</sup></b>	6	4	1	-	-	-	3	<b>14</b>
<b>Rigs Running Within 2.5 miles of PHX Acreage<sup>3</sup></b>	14	23	2	9	1	-	8	<b>57</b>
<b>Key Operators</b>	   	   	 	   	 	 	  	   

# 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 Ownership<sup>1</sup>: 6,735 NRA (total PHX Haynesville ownership 8,320 NRA)
- Gross Wells In Progress<sup>2</sup>: 57
- Gross Active Permits<sup>3</sup>: 39
- Gross Active Rigs<sup>4</sup>: 25

## Notable Well Results

### 1 CHESAPEAKE | MAYO 13&12-16-14 HC 001-ALT

<b>1st Prod</b>	8/2022	<b>PHX NRI</b>	0.886%
<b>LL</b>	9,859'	<b>CUM</b>	11.9 BCF
<b>IP24</b>	34.4 MMCF/d	<b>CUM/FT</b>	1,210 MMCF/FT

### 2 AETHON | GEP / LEE DSU | 5 WELL AVG

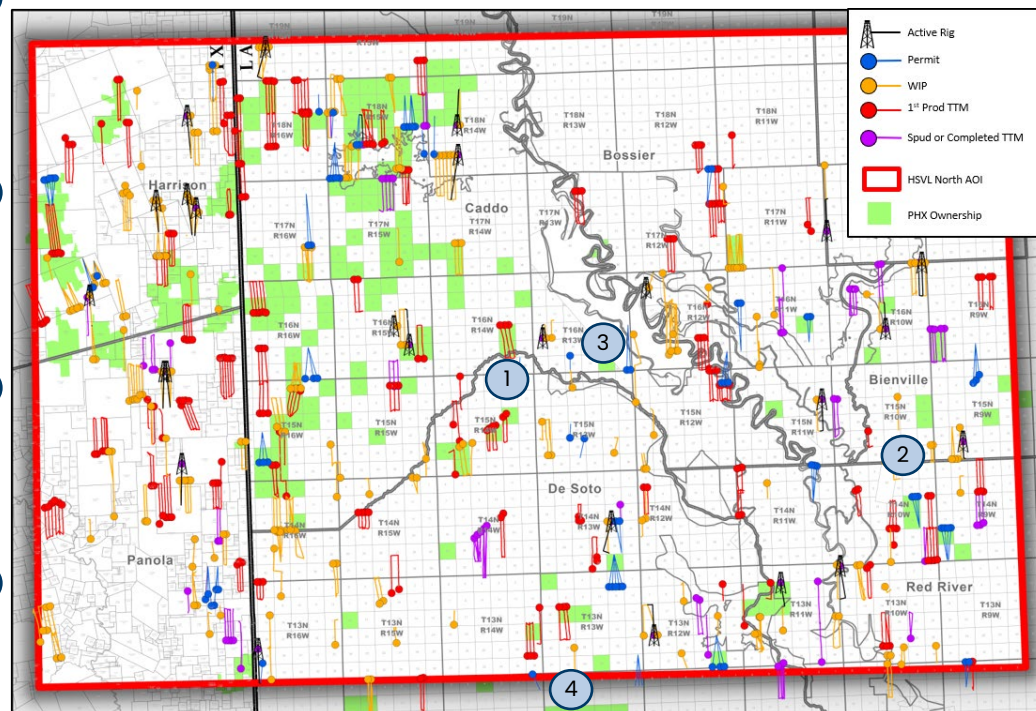
<b>1st Prod</b>	8/2022	<b>PHX NRI</b>	2.310%
<b>AVG LL</b>	8,448'	<b>AVG CUM</b>	7.9 BCF
<b>AVG IP</b>	31.2 MMCF/d	<b>AVG CUM/FT</b>	923 MMCF/FT

### 3 CHESAPEAKE | GRAF 26&23-16-14HC | 3 WELL AVG

<b>1st Prod</b>	4/2023	<b>PHX NRI</b>	0.543%
<b>AVG LL</b>	10,001'	<b>AVG CUM</b>	5.1 BCF
<b>AVG IP24</b>	31.9 MMCF/d	<b>AVG CUM/FT</b>	514 MMCF/FT

### 4 CHESAPEAKE | MMRTNEZ 20&17 HC | 3 WELL AVG

<b>1st Prod</b>	5/2023	<b>PHX NRI</b>	0.722%
<b>AVG LL</b>	9,749'	<b>AVG CUM</b>	4.3 BCF
<b>AVG IP24</b>	27.9 MMCF/d	<b>AVG CUM/FT</b>	440 MMCF/FT



Source: Company info and Enverus

1 As of 12/31/2023

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

3 Active natural gas and oil horizontal permits filed

4 Data from Enverus as of 02/12/2024

5 NRIs are internal estimates and are subject to confirmation from operator



# South Texas 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 Operator is Aethon who has been the most active in the Shelby Trough
- PHX South Texas Haynesville Ownership<sup>1</sup>: 993 NRA
- Gross Wells In Progress<sup>2</sup>: 22
- Gross Active Permits<sup>3</sup>: 2
- Gross Active Rigs<sup>4</sup>: 3

## Notable Well Results

### 1 AETHON | SALLY RIDE KNOX | 4 WELL AVG

<b>1st Prod</b>	1/2023	<b>PHX NRI</b>	0.673%
<b>AVG LL</b>	8,168'	<b>AVG CUM</b>	3.96 BCF
<b>AVG IP24</b>	19.7 MMCF/d	<b>AVG CUM/FT</b>	488 MMCF/FT

### 2 AETHON | MARCO GAS UNIT | 4 WELL AVG

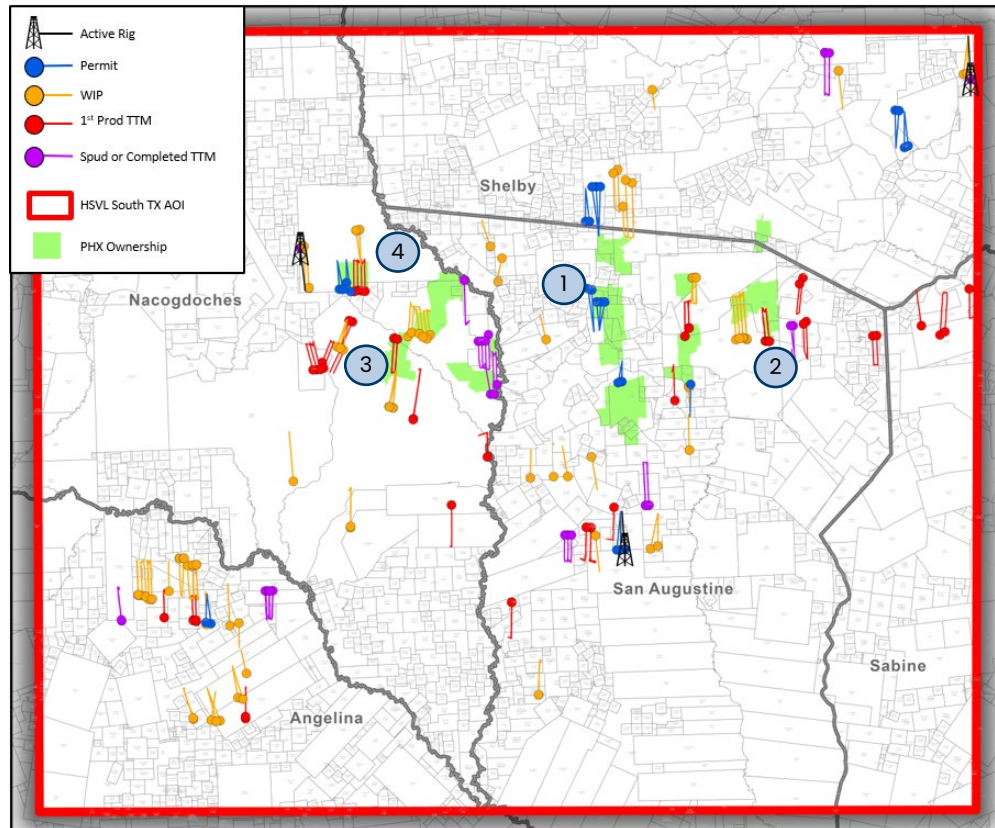
<b>1st Prod</b>	3/2023	<b>PHX NRI</b>	0.403%
<b>LL</b>	8,020'	<b>AVG CUM</b>	2.69 BCF
<b>IP24</b>	17.8 MMCF/d	<b>AVG CUM/FT</b>	336 MMCF/FT

### 3 AETHON | SILVER HAMMER-PATZAKIS | 4 WELL AVG

<b>1st Prod</b>	6/2023	<b>PHX NRI</b>	0.490%
<b>LL</b>	8,267'	<b>AVG CUM</b>	2.10 BCF
<b>IP24</b>	21.8 MMCF/d	<b>AVG CUM/FT</b>	254 MMCF/FT

### 4 AETHON | WAYLON UNIT 1H

<b>1st Prod</b>	3/2023	<b>PHX NRI</b>	0.347%
<b>LL</b>	7,515'	<b>CUM</b>	3.20 BCF
<b>IP24</b>	20.3 MMCF/d	<b>CUM/FT</b>	426 MMCF/FT



Source: Company info and Enverus

1 As of 12/31/2023

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

3 Active natural gas and oil horizontal permits filed

4 Data from Enverus as of 02/12/2024

5 NRIs are internal estimates and are subject to confirmation from operator

# Springboard III Update

- Highest resource in-place per DSU in the midcontinent, co-developing the Mississippian Sycamore & Woodford Shale
- Operators starting to infill existing DSUs; Early results suggest very little to no Parent-Child degradation
- PHX Springboard III Ownership<sup>1</sup>: 3,873 NRA
- Gross Wells In Progress<sup>2</sup>: 21
- Gross Active Permits<sup>3</sup>: 6
- Gross Active Rigs<sup>4</sup>: 1

## Notable Well Results

**CONTINENTAL | RINGER RANCH 2 & 3 -20-17XHM | SYCAMORE | 2 WELL AVG**

<b>1st Prod</b>	4/2023	<b>PHX NRI</b>	1.246%
<b>LL</b>	10,226'	<b>Avg 90 Day Cum</b>	129 MBOE6
<b>NRM PROP</b>	2,508 #/FT	<b>Avg Cum Prod</b>	314 MBOE6

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

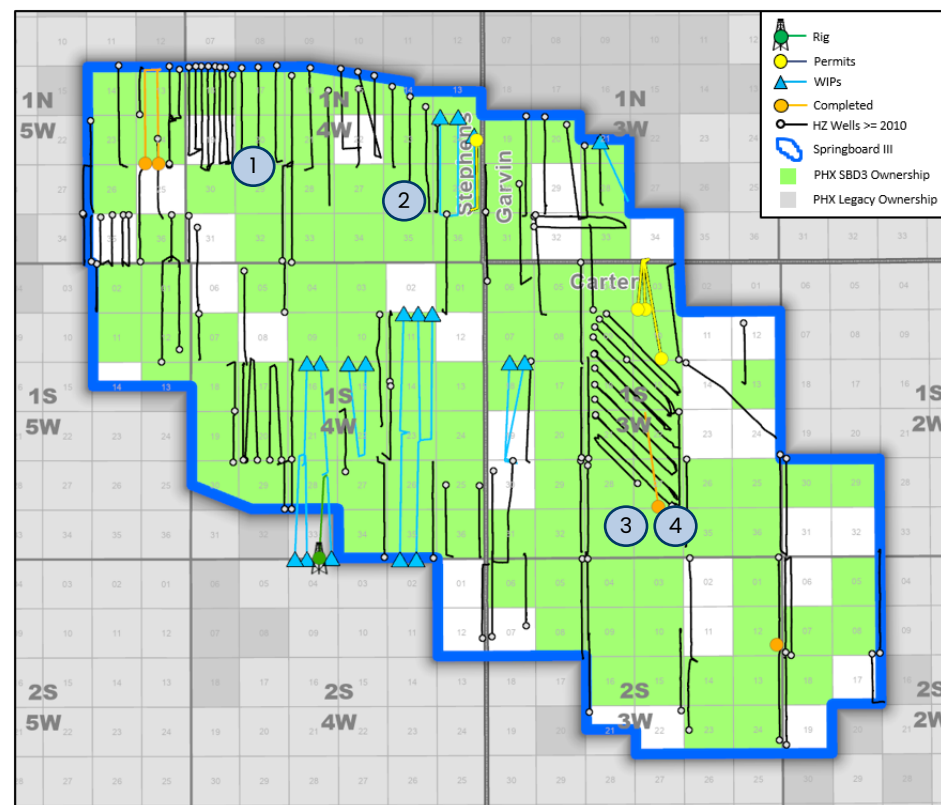
<b>1st Prod</b>	9/2022	<b>PHX NRI</b>	0.886%
<b>LL</b>	10,295'	<b>Avg 90 Day Cum</b>	121 MBOE6
<b>NRM PROP</b>	2'507 #/FT	<b>Cum Prod</b>	453 MBOE6

**CONTINENTAL | COURBET SYCAMORE DSU | 6 WELL AVG**

<b>1st Prod</b>	4/2023	<b>PHX NRI</b>	0.416%
<b>LL</b>	8,169'	<b>Avg 90 Day Cum</b>	135 MBOE6
<b>NRM PROP</b>	3,020 #/FT	<b>Avg Cum Prod</b>	338 MBOE6

**CONTINENTAL | COURBET WOODFORD DSU | 9 WELL AVG**

<b>1st Prod</b>	4/2023	<b>PHX NRI</b>	0.388%
<b>LL</b>	11,378'	<b>Avg 90 Day Cum</b>	110 MBOE6
<b>NRM PROP</b>	2,513 #/FT	<b>Avg Cum Prod</b>	303 MBOE6



Source: Company info and Enverus

1 As of 12/31/2023

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

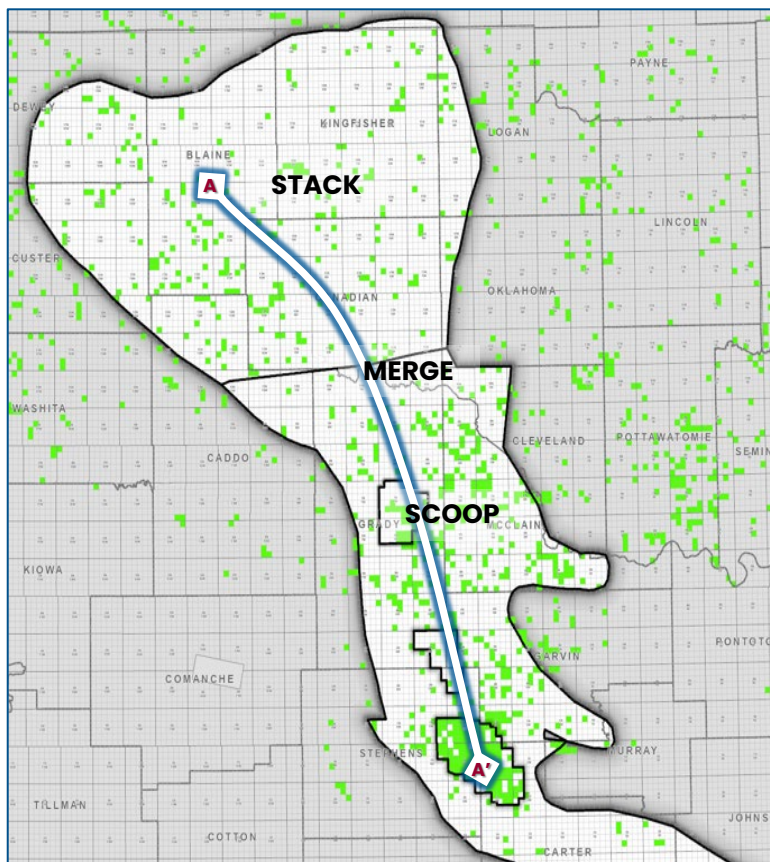
3 Active natural gas and oil horizontal permits filed

4 Data from Enverus as of 02/12/2024

5 NRIs are internal estimates and are subject to confirmation from operator

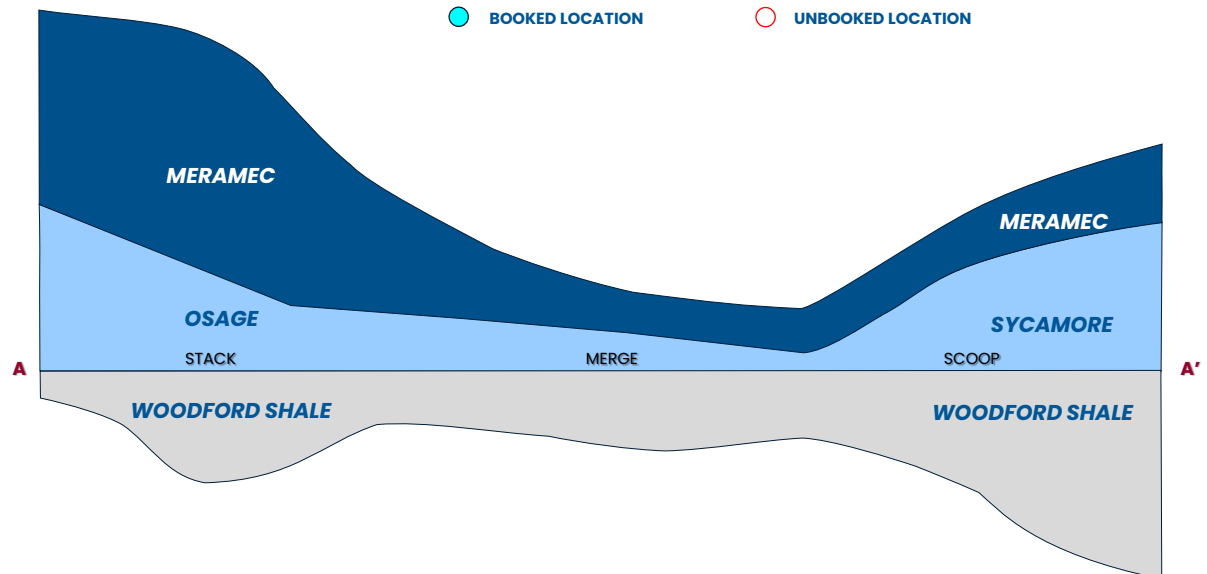
# STACK | MERGE | SCOOP

- The SCOOP is the premier play in Oklahoma with the highest resource in-place and most horizontal objectives
- The transition between the SCOOP and STACK is the MERGE where the thickness prevents stacked development
- The primary target in the STACK is the Meramec
- All 3 regions are sourced by the Woodford and feature >1,350 btu gas and minimal produced water



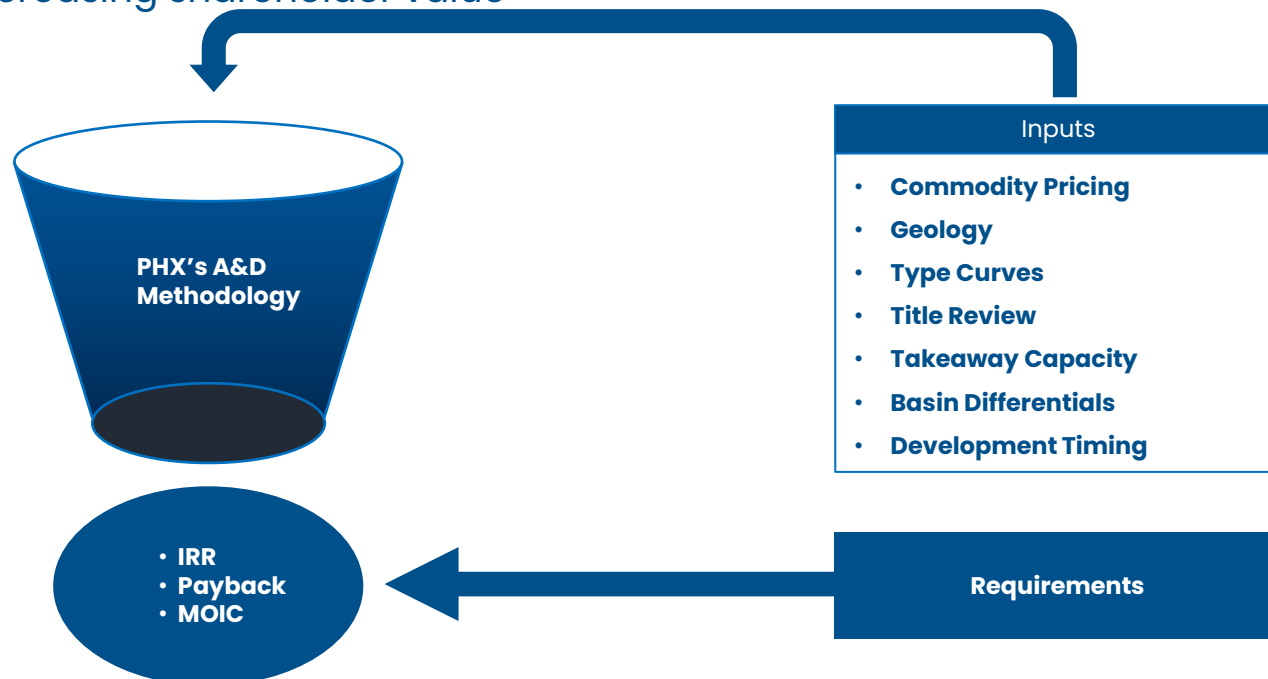
	STACK	MERGE	SCOOP
MERAMEC	● ● ● ● ●		○ ● ● ● ●
OSAGE/SYCAMORE		● ● ● ● ● ● ● ●	● ● ● ● ● ● ● ●
WOODFORD SHALE	● ● ●	● ● ● ● ● ● ● ●	● ● ● ● ● ● ● ● ○ ● ● ● ●

● BOOKED LOCATION      ○ UNBOOKED LOCATION



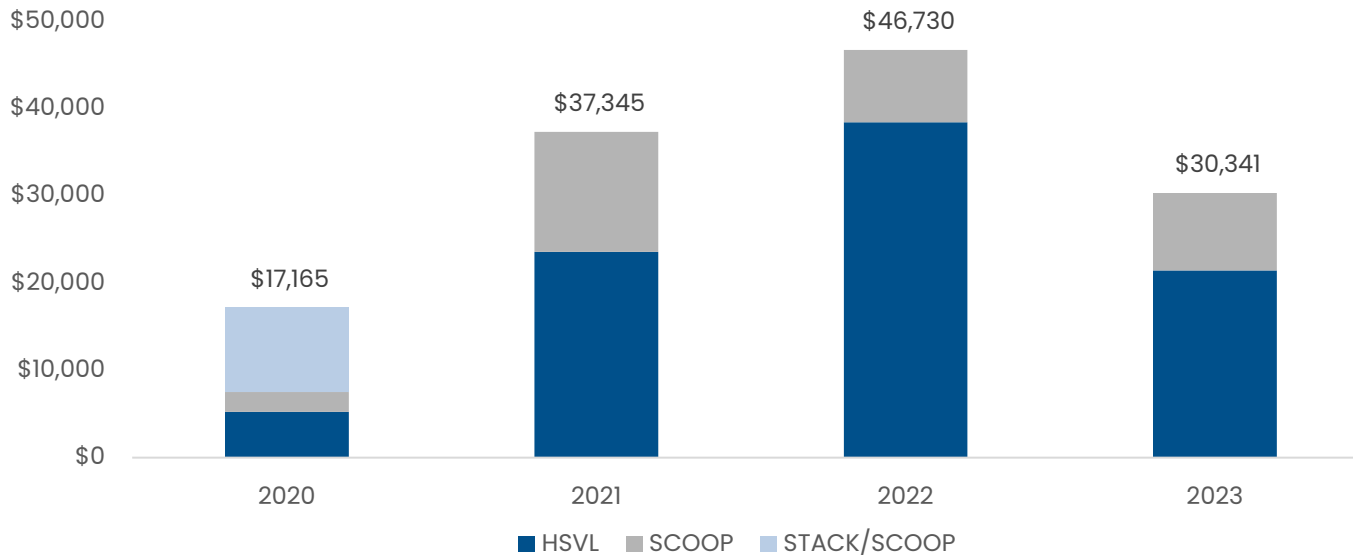
# Robust Acquisition Process

- 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
  - Focused on active operators in order to minimize development 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 (in thousands)



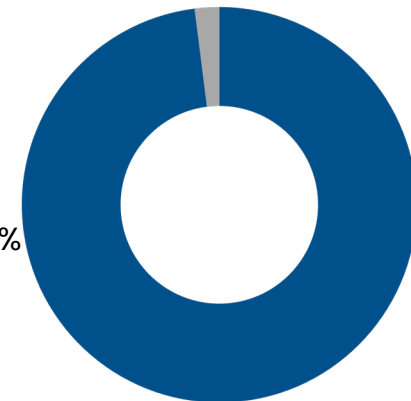
- Focused on highest quality rock in the SCOOP and Haynesville plays
- Targeting a mix of production, near term development opportunities via wells in progress and additional upside potential under high quality operators
- \$33.2M in acquisitions in SCOOP and \$88.7M in Haynesville since Q1 of 2020

## Positioned For Growth Through Acquisitions

- Total domestic US mineral market estimated at ~\$0.5 - 1 trillion<sup>(2)</sup>
  - 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

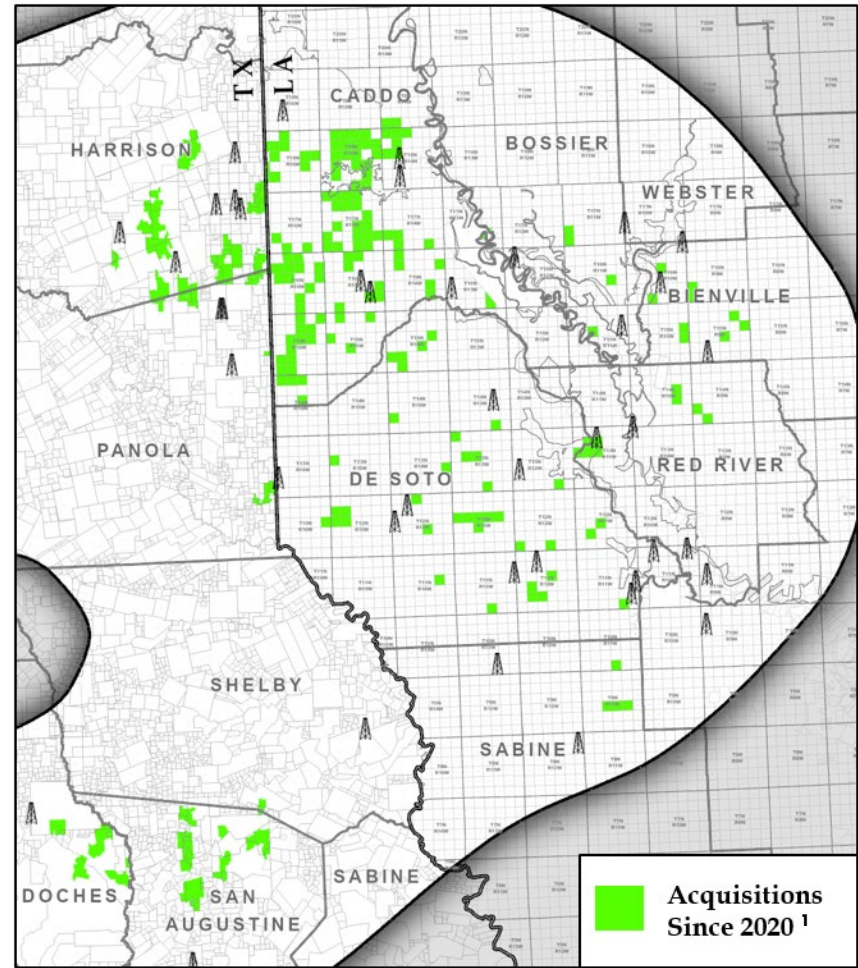
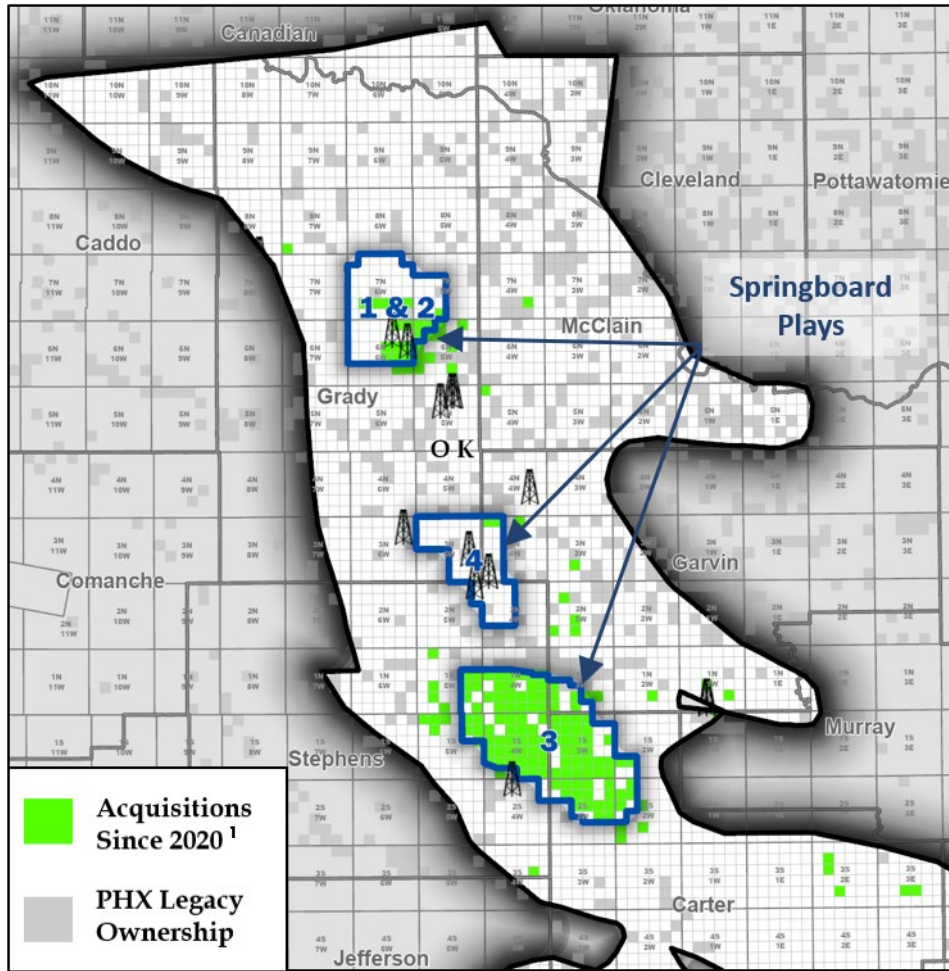
Total Public Company Enterprise Value<sup>(3)</sup>: 3%

Market Opportunity Midpoint<sup>(1)</sup>: 97%





# Acquisition History

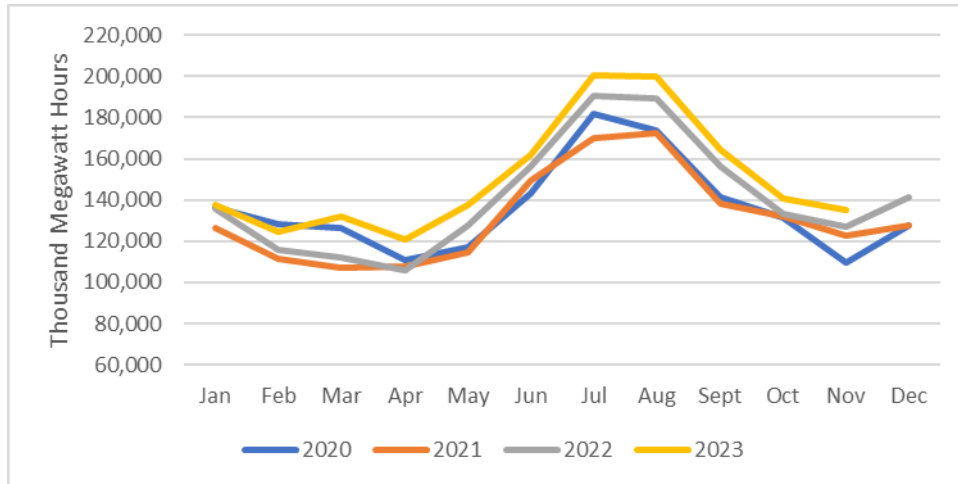


All acreage currently owned in the Haynesville and predominately all acreage currently owned in Springboard III area of interest was acquired under current management team's guidance



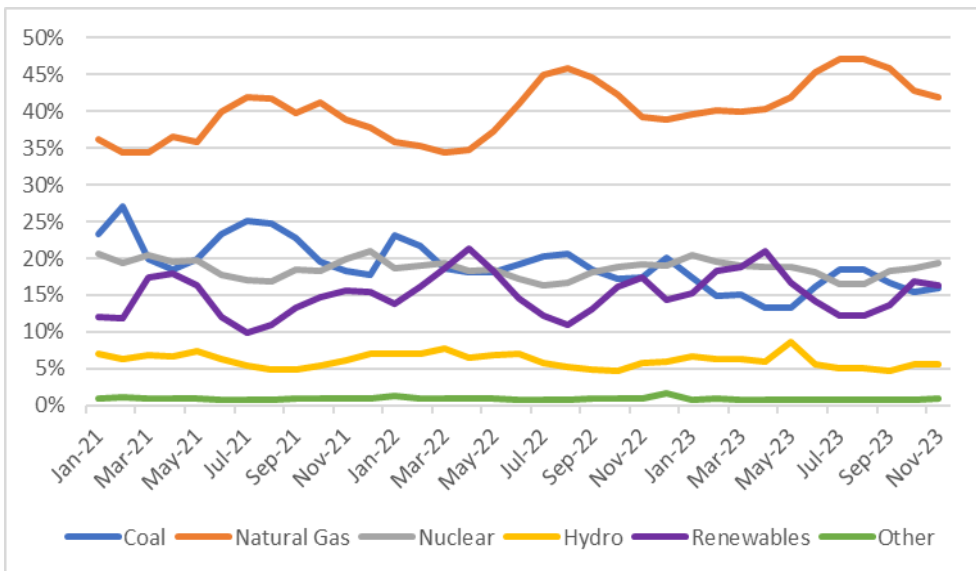
# Natural Gas – Continued Demand Growth

## Natural Gas Electrical Generation<sup>1</sup>

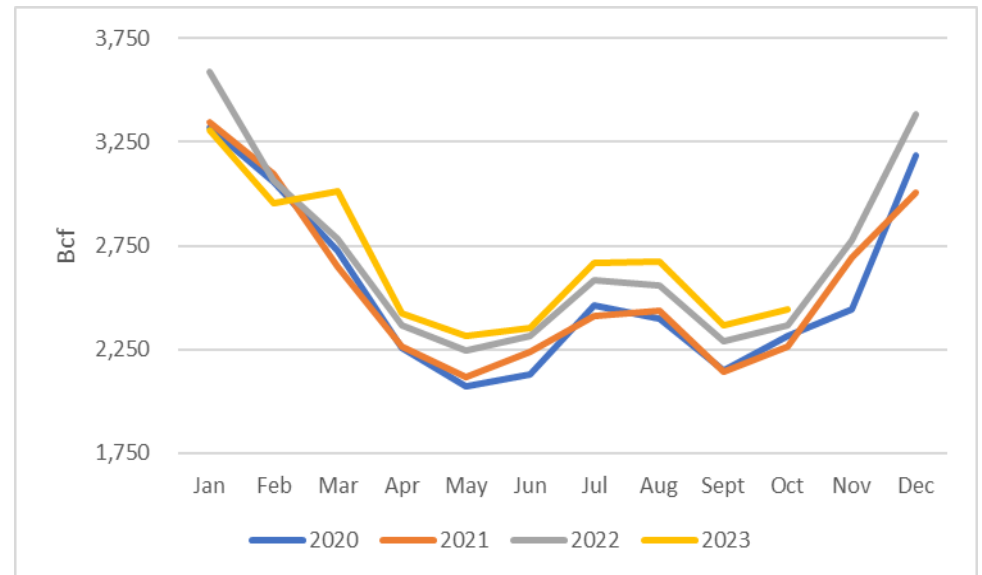


- Natural gas demand from power generation continues to increase and dominate the power stack; increase in solar and wind are coming at the expense of coal
- 20 additional gas fired power plants with total capacity of 7.7 GW expected to come online in 2024 – 2025
- LNG export capacity expected to increase as projects under construction come online in second half of 2024 and in 2025

## Monthly Electrical Generation by Fuel Type<sup>1</sup>

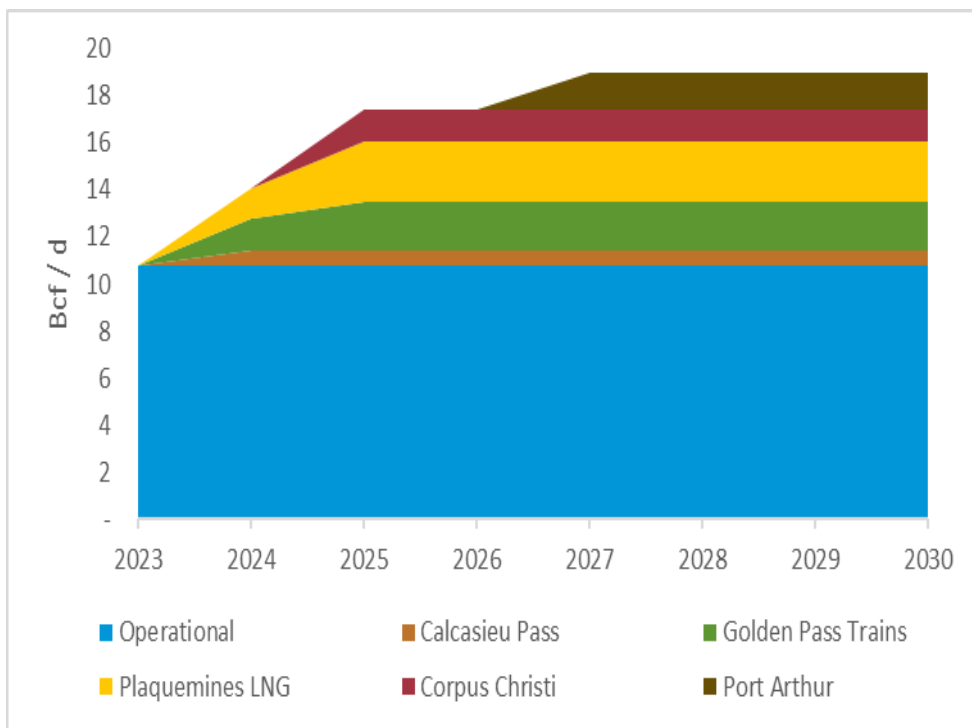


## Natural Gas Consumption<sup>1</sup>



# Natural Gas – Surging LNG Demand

## Forecasted U.S. Export Annual Volume Growth<sup>1</sup>



## Large Scale Approved Liquefaction Facilities<sup>1</sup>

Project Name	Bcf/d	Project Name	Bcf/d
<u>Operational</u>		<u>Approved</u>	
Sabine Pass Trains 1-6	3.6	Cameron LNG Train 4	0.9
Cove Point	0.7	Magnolia LNG	1.2
Elba Island Trains	0.3	Lake Charles LNG	2.2
Corpus Christi Trains 1- 3	1.8	Driftwood LNG	3.6
Cameron Trains 1 - 3	1.8	Freeport LNG Train 4	0.7
Freeport Trains 1 - 3	2.0	Texas LNG	0.6
Calcasieu Pass Trains 1 - 9	0.7	Rio Grande LNG	3.6
<b>Total Operational</b>	<b>10.8</b>	Gulf LNG	1.4
<u>Commissioning</u>		Delfin FLNG	1.6
Calcasieu Pass Trains 10 - 18	0.7	Alaska LNG	2.6
<u>Under Construction</u>		<b>Total Approved</b>	<b>18.3</b>
Golden Pass Trains 1 - 3	2.0		
Plaquemines LNG Phase 1	1.3		
Plaquemines LNG Phase 2	1.3		
Corpus Christi Liquefaction Stage III	1.3		
Port Arthur Phase 1	1.6		
<b>Total Operational or in Execution</b>	<b>19.0</b>		

- 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
  - Golden Pass trains 1 & 2 expected online in 2024 and train 3 in early 2025
  - Plaquemines trains 1 – 18 expected online in 2H 2024 and trains 19 – 36 in 2025
- US exported more LNG (11.6 Bcf/d) than any other country in first half of 2023

# Current Hedge Position

	<u>Gas Swaps</u>		<u>Gas Collars</u>			<u>Total Gas Protection</u>
	Volume	Price	Volume	Floor	Ceiling	Volume
1Q'24	397,500	\$ 3.65	660,000	\$ 3.92	\$ 6.69	1,057,500
2Q'24	562,500	\$ 3.22	365,000	\$ 3.38	\$ 4.43	927,500
3Q'24	817,500	\$ 3.31	90,000	\$ 3.00	\$ 3.60	907,500
4Q'24	395,000	\$ 3.62	340,000	\$ 3.24	\$ 5.16	735,000
<b>2024</b>	<b>2,172,500</b>	<b>\$ 3.40</b>	<b>1,455,000</b>	<b>\$ 3.57</b>	<b>\$ 5.58</b>	<b>3,627,500</b>
1Q'25	330,000	\$ 3.86	450,000	\$ 3.25	\$ 5.18	780,000
2Q'25	300,000	\$ 3.28	255,000	\$ 3.00	\$ 4.19	555,000
3Q'25	300,000	\$ 3.28	165,000	\$ 3.00	\$ 3.75	465,000
4Q'25	100,000	\$ 3.28	200,000	\$ 3.50	\$ 4.85	300,000
<b>2025</b>	<b>1,030,000</b>	<b>\$ 3.47</b>	<b>1,070,000</b>	<b>\$ 3.20</b>	<b>\$ 4.66</b>	<b>2,100,000</b>
1Q'26	-	\$ -	300,000	\$ 3.50	\$ 4.85	300,000
<b>2026</b>	<b>-</b>	<b>\$ -</b>	<b>300,000</b>	<b>\$ 3.50</b>	<b>\$ 4.85</b>	<b>300,000</b>

	<u>Oil Swaps</u>		<u>Oil Collars</u>			<u>Total Oil Protection</u>
	Volume	Price	Volume	Floor	Ceiling	Volume
1Q'24	2,250	\$ 71.75	10,250	\$ 63.97	\$ 76.24	12,500
2Q'24	6,900	\$ 68.64	7,100	\$ 63.92	\$ 76.25	14,000
3Q'24	7,500	\$ 68.14	6,450	\$ 66.16	\$ 76.87	13,950
4Q'24	9,700	\$ 67.60	3,150	\$ 65.95	\$ 76.74	12,850
<b>2024</b>	<b>26,350</b>	<b>\$ 68.38</b>	<b>26,950</b>	<b>\$ 64.71</b>	<b>\$ 76.45</b>	<b>53,300</b>
1Q'25	12,300	\$ 68.35	-	\$ -	\$ -	12,300
2Q'25	11,250	\$ 69.85	-	\$ -	\$ -	11,250
3Q'25	6,000	\$ 69.05	-	\$ -	\$ -	6,000
4Q'25	4,500	\$ 68.90	-	\$ -	\$ -	4,500
<b>2025</b>	<b>34,050</b>	<b>\$ 69.04</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>34,050</b>

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

# Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	Quarter ended															
	Mar. 31, 2020	Jun. 30, 2020	Sept. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	Sept. 30, 2021	Dec. 31, 2021	Mar. 31, 2022	Jun. 30, 2022	Sept. 30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023	Sept. 30, 2023	Dec. 31, 2023
Net Income	(\$20.5)	(\$3.6)	(\$1.8)	(\$0.6)	(\$0.5)	(\$1.4)	(\$3.8)	\$6.7	(\$4.0)	\$8.6	\$9.2	\$3.3	\$9.6	(\$0.0)	\$1.9	\$2.5
(+) Unrealized Gain on Derivatives	(3.4)	2.5	2.4	0.9	2.1	4.5	(3.1)	(4.6)	11.8	(3.3)	(1.6)	(6.3)	(3.2)	0.9	0.9	(2.9)
(+) Income Tax Expense	(7.0)	(0.9)	(0.7)	(0.1)	(0.2)	(0.8)	0.5	0.8	0.0	1.0	2.4	1.0	3.1	(0.2)	0.6	1.2
(+) Interest Expense	0.3	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.5	0.6	0.6	0.5	0.6	0.7
(+) DD&A	3.4	2.5	2.5	2.3	1.8	2.1	1.6	1.6	2.1	2.0	1.6	1.8	1.9	2.2	2.0	2.4
(+) Impairment	29.5	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1	0.0	0.0	0.0	0.0
(+) Cash Receipts from/Payments on Off-Market Derivatives	0.0	0.0	0.0	0.0	0.0	0.0	8.8	(2.7)	(2.5)	(1.3)	(1.1)	(0.9)	(0.4)	0.0	0.0	0.0
(+) Restricted Stock and Deferred Director's Exp	0.4	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.5	0.6	1.0	0.6	0.6	0.7	0.5	0.6
(-) Gains (Losses) on Asset Sales	(0.0)	(0.0)	0.7	0.0	0.0	0.0	0.2	(2.1)	2.3	0.7	3.6	0.9	4.4	0.0	0.2	0.1
Adjusted EBITDA	\$2.8	\$1.3	\$2.2	\$2.9	\$3.6	\$5.0	\$4.2	\$4.4	\$5.8	\$7.2	\$8.4	\$5.3	\$7.7	\$4.1	\$6.3	\$4.5
(-) Interest Expense	0.3	0.2	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.5	0.6	0.6	0.5	0.6	0.7
Discretionary Cash Flow	\$2.4	\$1.1	\$1.9	\$2.6	\$3.3	\$4.8	\$4.0	\$4.2	\$5.6	\$6.9	\$7.9	\$4.7	\$7.1	\$3.6	\$5.8	\$3.8
Adjusted EBITDA	2.8	1.3	2.2	2.9	3.6	5.0	4.2	4.4	5.8	7.2	8.4	5.3	7.7	4.1	6.3	4.5
(-) DD&A	3.4	2.5	2.5	2.3	1.8	2.1	1.6	1.6	2.1	2.0	1.6	1.8	1.9	2.2	2.0	2.4
EBIT	(\$0.6)	(\$1.1)	(\$0.3)	\$0.7	\$1.8	\$2.9	\$2.7	\$2.8	\$3.7	\$5.2	\$6.9	\$3.5	\$5.9	\$1.9	\$4.3	\$2.1
Annualized EBIT	(\$2.4)	(\$4.5)	(\$1.3)	\$2.6	\$7.2	\$11.5	\$10.8	\$11.3	\$14.8	\$20.8	\$27.5	\$14.0	\$23.4	\$7.5	\$17.2	\$8.2
Starting Debt	35.0	32.0	30.0	28.8	27.0	23.5	19.9	17.5	20.0	24.0	28.3	28.3	33.3	26.0	23.8	30.8
Ending Debt	32.0	30.0	28.8	27.0	23.5	19.9	17.5	20.0	24.0	28.3	28.3	33.3	26.0	23.8	30.8	32.8
Average Debt	\$33.5	\$31.0	\$29.4	\$27.9	\$25.3	\$21.7	\$18.7	\$18.8	\$22.0	\$26.2	\$28.3	\$30.8	\$29.7	\$24.9	\$27.3	\$31.8
Starting Shareholders Equity	80.1	60.5	56.5	63.0	62.3	61.7	75.3	78.7	88.3	84.7	98.0	107.8	110.1	120.2	120.1	121.7
Ending Shareholders Equity	60.5	56.5	63.0	62.3	61.7	75.3	78.7	88.3	84.7	98.0	107.8	110.1	120.2	120.1	121.7	123.2
Average Shareholders Equity	\$70.3	\$58.5	\$59.7	\$62.7	\$62.0	\$68.5	\$77.0	\$83.5	\$86.5	\$91.4	\$102.9	\$108.9	\$115.2	\$120.1	\$120.9	\$122.4
Total Capital	\$103.8	\$89.5	\$89.1	\$90.5	\$87.3	\$90.2	\$95.7	\$102.3	\$108.5	\$117.5	\$131.2	\$139.7	\$144.8	\$145.0	\$148.1	\$154.2
ROCE	-2%	-6%	-2%	3%	8%	13%	11%	12%	14%	18%	22%	10%	16%	5%	12%	5%

# Reconciliation of Non-GAAP Financial Measures

	TTM ended															
	Mar.31, 2020	Jun.30, 2020	Sept.30, 2020	Dec. 31, 2020	Mar.31, 2021	Jun.30, 2021	Sept.30, 2021	Dec. 31, 2021	Mar. 31, 2022	Jun.30, 2022	Sept.30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023	Sept. 30, 2023	Dec. 31, 2023
Net Income	(\$70.1)	(\$78.3)	(\$24.0)	(\$26.4)	(\$6.5)	(\$4.3)	(\$6.2)	\$1.1	(\$2.5)	\$7.5	\$20.4	\$17.1	\$30.6	\$22.0	\$14.8	\$13.9
(+) Unrealized (Gains) Losses on Derivatives	(3.4)	1.0	3.2	2.3	7.8	9.8	4.3	(1.1)	8.6	0.8	2.3	0.6	(14.4)	(10.2)	(7.6)	(4.3)
(+) Income Tax Expense	(23.7)	(25.8)	(8.3)	(8.6)	(1.8)	(1.8)	(0.7)	0.2	0.4	2.2	4.2	4.4	7.5	6.3	4.5	4.7
(+) Interest Expense	1.7	1.4	1.3	1.2	1.1	1.1	1.0	0.9	0.8	0.9	1.2	1.6	2.0	2.2	2.3	2.4
(+) DD&A	17.1	15.2	11.3	10.6	9.0	8.7	7.7	7.1	7.4	7.3	7.3	7.5	7.3	7.5	7.9	8.6
(+) Impairment	106.4	106.7	29.9	29.9	0.4	0.0	0.1	0.1	0.1	0.0	0.0	6.1	6.1	6.1	6.1	0.0
(+) Cash Receipts from/Payments on Off-Market Derivatives	0.0	0.0	0.0	0.0	0.0	0.0	8.8	6.1	3.6	2.3	(7.5)	(5.7)	(3.6)	(2.3)	(1.3)	(0.4)
(+) Restricted Stock and Deferred Director's Exp	1.1	1.0	1.0	0.9	0.7	0.9	1.0	1.2	1.4	1.7	2.4	2.6	2.8	2.9	2.4	2.4
(-) Gains (Losses) on Asset Sales	12.9	8.9	4.0	0.7	0.7	0.8	0.3	(1.8)	0.5	1.1	4.4	7.5	9.6	8.9	5.6	4.7
<b>Adjusted EBITDA TTM</b>	<b>\$16.2</b>	<b>\$12.4</b>	<b>\$10.5</b>	<b>\$9.2</b>	<b>\$10.0</b>	<b>\$13.7</b>	<b>\$15.7</b>	<b>\$17.2</b>	<b>\$19.5</b>	<b>\$21.6</b>	<b>\$25.8</b>	<b>\$26.7</b>	<b>\$28.7</b>	<b>\$25.6</b>	<b>\$23.5</b>	<b>\$22.7</b>
Total Debt	32.0	30.0	28.8	27.0	23.5	19.9	17.5	20.0	24.0	28.3	28.3	33.3	26.0	23.8	30.8	32.8
<b>Debt / Adjusted EBITDA TTM</b>	<b>2.0</b>	<b>2.4</b>	<b>2.7</b>	<b>2.9</b>	<b>2.3</b>	<b>1.5</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>1.1</b>	<b>1.2</b>	<b>0.9</b>	<b>0.9</b>	<b>1.3</b>	<b>1.5</b>

(\$ in millions)	Quarter ended															
	Mar.31, 2020	Jun.30, 2020	Sept.30, 2020	Dec. 31, 2020	Mar.31, 2021	Jun.30, 2021	Sept.30, 2021	Dec. 31, 2021	Mar. 31, 2022	Jun.30, 2022	Sept.30, 2022	Dec. 31, 2022	Mar. 31, 2023	Jun. 30, 2023	Sept. 30, 2023	Dec. 31, 2023
Borrowing Base	45.0	32.0	31.0	30.0	29.4	28.5	27.5	32.0	50.0	50.0	50.0	50.0	50.0	45.0	50.0	50.0
Debt	32.0	30.0	28.8	27.0	23.5	19.9	17.5	20.0	24.0	28.3	28.3	33.3	26.0	23.8	30.8	32.8
<b>Borrowing Availability</b>	<b>\$13.0</b>	<b>\$2.0</b>	<b>\$2.3</b>	<b>\$3.0</b>	<b>\$5.9</b>	<b>\$8.6</b>	<b>\$10.0</b>	<b>\$12.0</b>	<b>\$26.0</b>	<b>\$21.7</b>	<b>\$21.7</b>	<b>\$16.7</b>	<b>\$24.0</b>	<b>\$21.3</b>	<b>\$19.3</b>	<b>\$17.3</b>
Current Assets	121	8.2	17.8	10.0	9.2	10.9	12.2	10.9	12.3	18.4	17.9	19.9	12.3	9.5	8.4	10.2
(-) Current Derivative Assets	4.2	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	1.4	0.6	3.1
Current Liabilities	(21)	(4.2)	(4.5)	(31)	(5.2)	(9.4)	(15.1)	(9.7)	(17.3)	(12.4)	(11.3)	(6.8)	(2.4)	(1.8)	(2.6)	(2.0)
(-) Current Derivative Liabilities	0.0	0.0	(0.3)	(1.2)	(3.0)	(6.8)	(12.1)	(6.4)	(14.8)	(10.2)	(7.9)	(1.5)	0.0	0.0	0.0	0.0
<b>Working Capital</b>	<b>\$5.8</b>	<b>\$2.1</b>	<b>\$13.7</b>	<b>\$8.0</b>	<b>\$7.0</b>	<b>\$8.3</b>	<b>\$9.2</b>	<b>\$7.6</b>	<b>\$9.8</b>	<b>\$16.2</b>	<b>\$14.5</b>	<b>\$14.6</b>	<b>\$7.8</b>	<b>\$6.3</b>	<b>\$5.2</b>	<b>\$5.0</b>
Liquidity	\$18.8	\$4.1	\$15.9	\$11.0	\$12.9	\$16.9	\$19.2	\$19.6	\$35.8	\$37.9	\$36.2	\$31.3	\$31.8	\$27.5	\$24.4	\$22.3

# Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	Fiscal Year Ended							
	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2018	Sept. 30, 2019	Sept. 30, 2020	Sept. 30, 2021	Dec. 31, 2022	Dec. 31, 2023
<b>Net Income</b>	<b>(\$10.3)</b>	<b>\$3.5</b>	<b>\$14.6</b>	<b>(\$40.7)</b>	<b>(\$24.0)</b>	<b>(\$6.2)</b>	<b>\$17.1</b>	<b>\$13.9</b>
<b>(+) Unrealized Gain on Derivatives</b>	4.6	(0.9)	3.9	(5.9)	3.2	4.3	0.6	(4.3)
<b>(+) Income Tax Expense</b>	(7.7)	0.7	(12.7)	(13.5)	(8.3)	(0.7)	4.4	4.7
<b>(+) Interest Expense</b>	1.3	1.3	1.7	2.0	1.3	1.0	1.6	2.4
<b>(+) DD&amp;A</b>	24.5	18.4	18.4	18.2	11.3	7.7	7.5	8.6
<b>(+) Impairment</b>	12.0	0.7	0.0	76.8	29.9	0.1	6.1	0.0
<b>(+) Cash Receipts from/Payments on Off-Market Derivatives</b>	0.0	0.0	0.0	0.0	0.0	8.8	(5.7)	(0.4)
<b>(+) Restricted Stock and Deferred Director's Exp</b>	1.1	1.0	1.0	1.0	1.0	1.0	2.6	2.4
<b>(-) Gains (Losses) on Asset Sales</b>	2.7	(0.1)	(0.7)	18.7	4.0	0.3	7.5	4.7
<b>Adjusted EBITDA</b>	<b>\$22.9</b>	<b>\$24.7</b>	<b>\$27.6</b>	<b>\$19.2</b>	<b>\$10.5</b>	<b>\$15.7</b>	<b>\$26.7</b>	<b>\$22.7</b>
<b>(-) DD&amp;A</b>	24.5	18.4	18.4	18.2	11.3	7.7	7.5	8.6
<b>EBIT</b>	<b>(\$1.6)</b>	<b>\$6.3</b>	<b>\$9.2</b>	<b>\$1.0</b>	<b>(\$0.8)</b>	<b>\$8.0</b>	<b>\$19.2</b>	<b>\$14.1</b>
<b>Starting Debt</b>	65.0	44.5	52.2	51.0	35.4	28.8	20.0	33.3
<b>Ending Debt</b>	44.5	52.2	51.0	35.4	28.8	17.5	33.3	32.8
<b>Average Debt</b>	<b>\$54.8</b>	<b>\$48.4</b>	<b>\$51.6</b>	<b>\$43.2</b>	<b>\$32.1</b>	<b>\$23.1</b>	<b>\$26.7</b>	<b>\$33.0</b>
<b>Starting Shareholders' Equity</b>	127.0	115.2	116.7	128.8	79.3	63.0	88.3	110.1
<b>Ending Shareholders' Equity</b>	115.2	116.7	128.8	79.3	63.0	78.7	110.1	123.2
<b>Average Shareholders' Equity</b>	<b>\$121.1</b>	<b>\$115.9</b>	<b>\$122.7</b>	<b>\$104.0</b>	<b>\$71.2</b>	<b>\$70.9</b>	<b>\$99.2</b>	<b>\$116.7</b>
<b>Total Capital</b>	<b>\$175.8</b>	<b>\$164.3</b>	<b>\$174.3</b>	<b>\$147.2</b>	<b>\$103.2</b>	<b>\$94.0</b>	<b>\$125.9</b>	<b>\$149.7</b>
<b>ROCE</b>	<b>-1%</b>	<b>4%</b>	<b>5%</b>	<b>1%</b>	<b>-1%</b>	<b>9%</b>	<b>15%</b>	<b>9%</b>

# Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	Year ended					
	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023
<b>Net Income</b>	<b>\$13.6</b>	<b>(\$51.6)</b>	<b>(\$26.4)</b>	<b>\$1.1</b>	<b>\$17.1</b>	<b>\$13.9</b>
(+) Unrealized Gain on Derivatives	(3.1)	2.0	2.3	(1.1)	0.6	(4.3)
(+) Income Tax Expense	3.5	(16.8)	(8.6)	0.2	4.4	4.7
(+) Interest Expense	1.9	1.8	1.2	0.9	1.6	2.4
(+) DD&A	16.9	17.3	10.6	7.1	7.5	8.6
(+) Impairment	0.0	76.8	29.9	0.1	6.1	0.0
(+) Cash Receipts from/Payments on Off-Market Derivatives	0.0	0.0	0.0	6.1	(5.7)	(0.4)
(+) Restricted Stock and Deferred Director's Exp	0.9	1.0	0.9	1.2	2.6	2.4
(-) Gains (Losses) on Asset Sales	8.7	12.9	0.7	(1.8)	7.5	4.7
<b>Adjusted EBITDA</b>	<b>\$25.0</b>	<b>\$17.6</b>	<b>\$9.2</b>	<b>\$17.4</b>	<b>\$26.7</b>	<b>\$22.7</b>
(-) Interest Expense	1.9	1.8	1.2	0.9	1.6	2.4
<b>Discretionary Cash Flow</b>	<b>\$23.1</b>	<b>\$15.8</b>	<b>\$8.0</b>	<b>\$16.5</b>	<b>\$25.1</b>	<b>\$20.3</b>

(\$ in millions)	Quarter Ended						
	Jun. 30, 2022	Sept. 30, 2022	Dec. 31, 2022	Mar. 31, 2023	June 30, 2023	Sept. 30, 2023	Dec. 31, 2023
<b>General and administrative</b>	2.9	3.8	3.1	3.0	3.2	2.8	3.1
(-) Restricted stock and deferred director's expense	0.6	1.0	0.6	0.6	0.7	0.5	0.6
<b>Cash general and administrative</b>	<b>\$2.3</b>	<b>\$2.7</b>	<b>\$2.6</b>	<b>\$2.3</b>	<b>\$2.5</b>	<b>\$2.2</b>	<b>\$2.5</b>
<b>Gain/(loss) on Derivatives</b>	<b>(\$2.4)</b>	<b>(\$4.3)</b>	<b>\$3.3</b>	<b>\$3.8</b>	<b>\$0.2</b>	<b>(\$0.3)</b>	<b>\$3.2</b>
(-) Unrealized gain/(loss) on derivatives	3.3	1.6	6.3	3.2	(0.9)	(0.9)	2.9
(+) Off-market derivative settlements	(1.3)	(1.1)	(0.9)	(0.4)	0.0	0.0	0.0
<b>Total derivative settlements</b>	<b>(\$7.0)</b>	<b>(\$7.0)</b>	<b>(\$3.8)</b>	<b>\$0.3</b>	<b>\$1.0</b>	<b>\$0.6</b>	<b>\$0.3</b>