



## Williston Basin and Jonah Field Acquisitions

February 9, 2022

# Disclaimer

## Forward Looking Statements

This presentation contains “forward-looking statements.” Forward-looking statements are based on current expectations and include any statement that does not directly relate to a current or historical fact. Such statements include those relating to pending acquisitions and associated costs, acreage, production, reserves, and other matters; drilling locations and potential drilling activities; production and sales volumes; proved, probable and possible reserves; operating and administrative costs; future operating or financial results; cash flow and anticipated liquidity; business strategy; future dividend policies and other matters. These forward-looking statements may generally, but not always, be identified by words such as “estimated”, “projected”, “potential”, “anticipated”, “forecasted” or other words that convey the uncertainty of future events or outcomes. Although we believe the expectations and forecasts reflected in these and other forward-looking statements are reasonable, we can give no assurance they will prove to have been correct. These statements are based on current plans and assumptions and are subject to a number of risks and uncertainties as further outlined in our Forms 10-K and 10-Q. Therefore, the actual results may differ materially from the expectations, estimates or assumptions expressed in or implied by any forward-looking statement, and we caution readers not to place undue reliance on these forward looking statements, which speak only as of the date of this presentation. In particular, the pending acquisition disclosed in this presentation may not be consummated or, if it is, may be consummated upon materially different terms than currently anticipated and set forth in this presentation, including, for instance, as a consequence of the exercise of preferential purchase rights held by third parties which may dramatically reduce the acreage, reserves and production acquired. We undertake no obligation to update these forward looking statements to reflect events or circumstances occurring after the date of this presentation.

## Cautionary Note Regarding Oil and Gas Reserves

Current SEC rules regarding oil and gas reserves information allow oil and gas companies to disclose in filings with the SEC not only proved reserves, but also probable and possible reserves that meet the SEC’s definitions of such terms. We disclose only proved reserves in our filings with the SEC. Our proved reserves as of June 30, 2021, were estimated by our independent petroleum engineering firm. In this presentation, proved reserves associated with acquired properties and probable and possible reserves, have been estimated by the Company’s internal staff of engineers. Estimates of probable and possible reserves are by their nature more speculative than estimates of proved reserves and are subject to greater uncertainties, and accordingly the likelihood of recovering those reserves is subject to substantially greater risk. We also disclose proved and unproved drilling locations in this presentation. Actual locations drilled and quantities that may be ultimately recovered from the Company’s interest may differ substantially from these estimates. There is no commitment by the Company to drill all of the drilling locations that have been attributed these quantities. Factors affecting ultimate recovery include the scope of the Company’s drilling program, which will be directly affected by the decisions of the operators of our properties, availability of capital, drilling and production costs, availability of drilling and completion services and equipment, drilling results, agreement terminations, regulatory approvals and actual drilling results, including geological and mechanical factors affecting recovery rates. Estimates of reserves may change significantly as development of the Company’s oil and gas assets provides additional data.

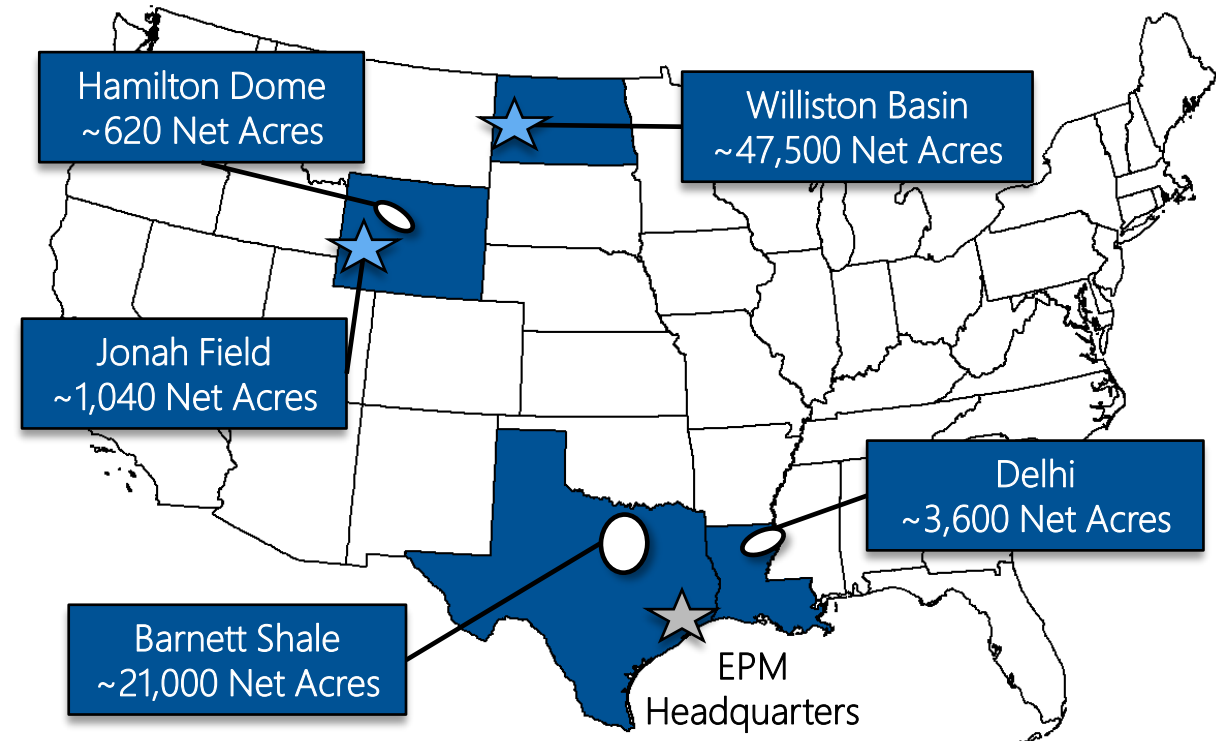
## Non-GAAP Reconciliation - Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure that is used as a supplemental financial measure by our management and by external users of our financial statements, such as investors, commercial banks and others, to assess our operating performance as compared to that of other companies in our industry, without regard to financing methods, capital structure or historical costs basis. It is also used to assess our ability to incur and service debt and fund capital expenditures. Our Adjusted EBITDA should not be considered an alternative to net income (loss), operating income (loss), cash flows provided by (used in) operating activities or any other measure of financial performance or liquidity presented in accordance with U.S. GAAP. Our Adjusted EBITDA may not be comparable to similarly titled measures of another company because all companies may not calculate Adjusted EBITDA in the same manner. The Company defines Adjusted EBITDA as net income (loss) plus interest expense, income tax expense (benefit), depreciation, depletion and amortization (DD&A), stock-based compensation, other amortization and accretion, ceiling test impairment and other impairments, unrealized loss (gain) on change in fair value of derivatives, and other non-cash expense (income) items.

## Executing Our M&A Strategy

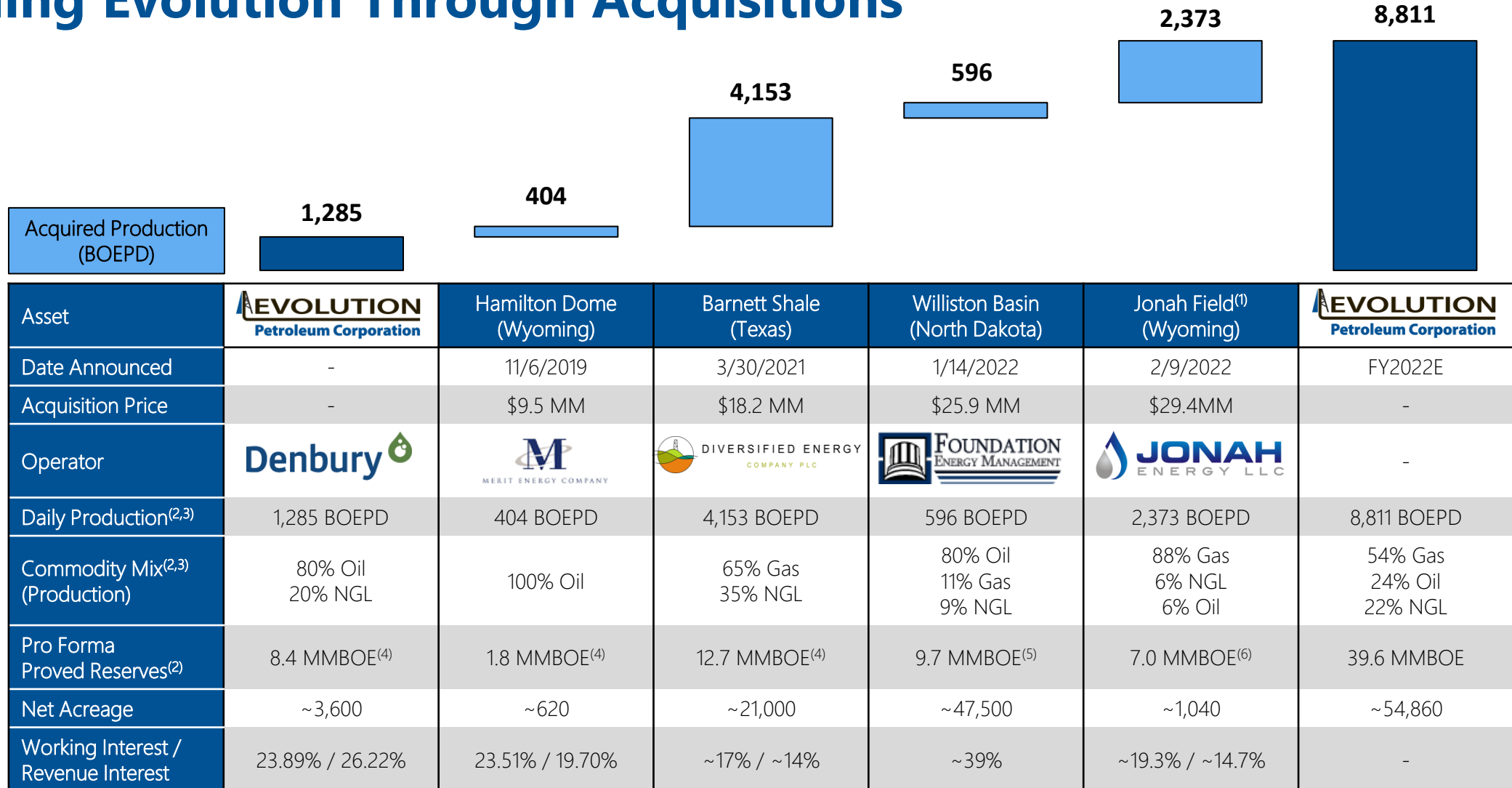
Williston	Jonah	Strategy
✓	✓	<ul style="list-style-type: none"><li>Long-lived reserves with value dominated by proved developed producing cash flow</li></ul>
✓	✓	<ul style="list-style-type: none"><li>Accretive to cash flow and supportive of dividend strategy</li></ul>
✓	✓	<ul style="list-style-type: none"><li>Low ongoing capital investment</li></ul>
✓	✓	<ul style="list-style-type: none"><li>Locations with reasonable market access and stable regulatory environment</li></ul>
✓	✓	<ul style="list-style-type: none"><li>High margin:<ul style="list-style-type: none"><li>Efficient operations economic at existing commodity prices</li><li>Short runway to incremental cash flow</li></ul></li></ul>

### Evolution Asset Locations



Growing Daily Production Through Acquisitions Over Last 2 Years

## Scaling Evolution Through Acquisitions



### Notes:

1. See "Forward Looking Statements" on slide 2.

2. Gas conversion ratio of 6:1; NGL ratio of 1:1.

3. Estimated average net production 3 months ended 9/30/2021.

4. EPM Reserves as of 7/1/2021 at 6/30/2021 SEC prices of \$2.47/MMBTU and \$49.72/bbl, less 2022 Q1 Production.

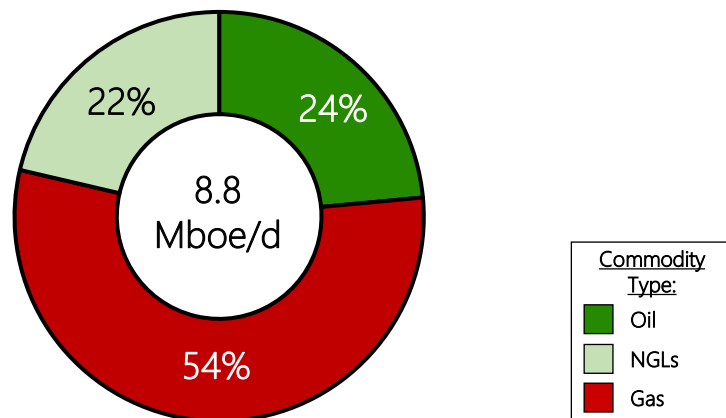
5. Williston Basin company-engineered reserves as of 1/1/2022 at 12/31/21 SEC prices of \$3.64/MMBTU and \$66.55/bbl.

6. Jonah company engineered-reserves as of 2/1/2022 at 12/31/2021 SEC prices of \$3.64/MMBTU and \$66.55/bbl.

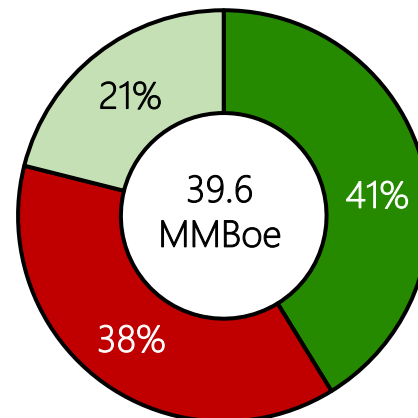
Acquisitions Diversify and Strengthen Proved Reserves Base

# EPM Pro Forma: Diversified Portfolio

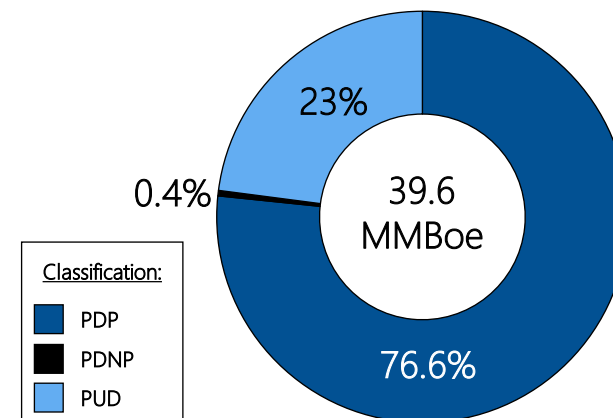
Pro Forma Daily Production<sup>(1, 2)</sup>



Pro Forma Proved Reserves (MMBoe)<sup>(3)</sup>



Pro Forma Proved Reserves by Classification<sup>(3)</sup>



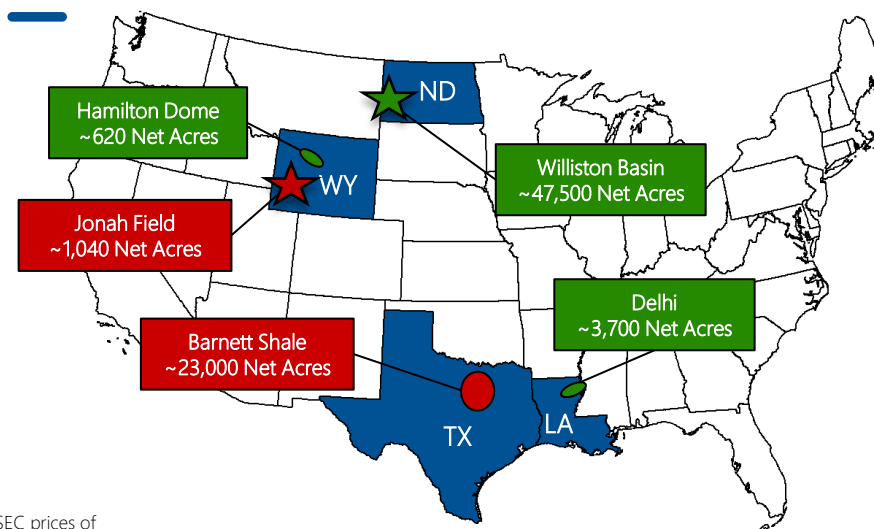
Pro Forma Daily Production<sup>(1, 2)</sup>

Commodity	Pro Forma Daily Production
Oil	~2,072 BOPD
NGL	~1,880 Bbl/d
Gas	~29.2 MMCFD
<b>Total</b>	<b>~8.8 Mboe/d</b>

**Notes:**

1. Gas conversion ratio of 6:1; NGL ratio of 1:1.
2. Estimated average net production 3 months ended 9/30/2021.
3. EPM Reserves as of 7/1/2020 at 6/30/2021 SEC prices less 2022 Q1 Production. Williston Basin company-engineered reserves as of 1/1/2022 at 12/31/21 SEC prices of \$3.64/MMBTU and \$66.55/bbl. Jonah company engineered-reserves as of 2/1/2022 at 12/31/2021 SEC prices of \$3.64/MMBTU and \$66.55/bbl.

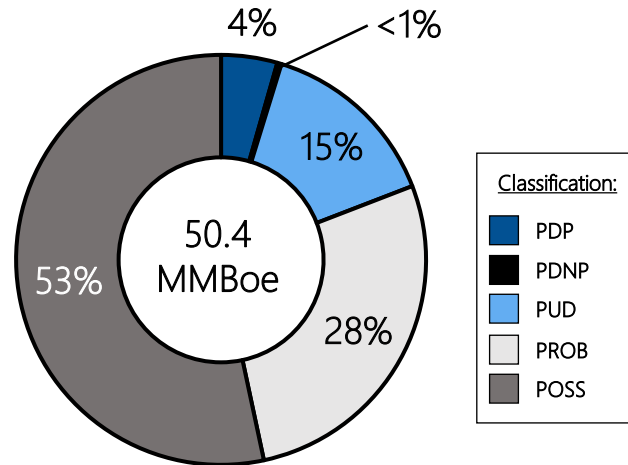
Asset Locations



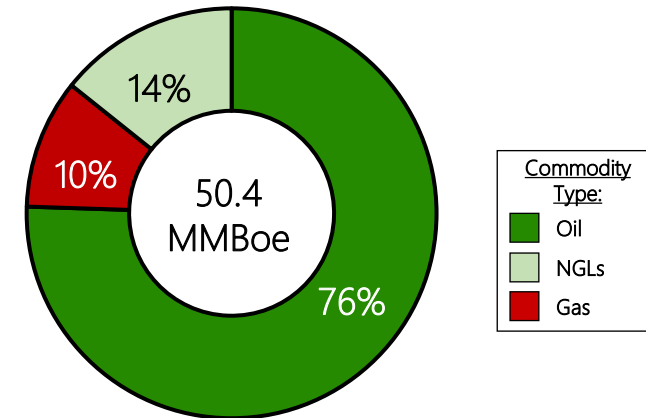


# Significant Upside Nestled in Williston Acquisition

Williston 3P Reserves by Classification<sup>(1,2)</sup>



Williston 3P Reserves by Commodity<sup>(1,2)</sup>



Proved Undeveloped<sup>(1,2)</sup>

- 50 Pronghorn/Three Forks 2-mile lateral locations classified as SEC Proved Undeveloped<sup>(3)</sup>
- Infrastructure already in place and drilling pads already built on majority of locations
- Years of high-quality drilling inventory

Probable & Possible<sup>(1,2)</sup>

- 390 remaining Pronghorn/Three Forks 2-mile lateral locations classified as Probable or Possible
- 106 of these locations are expected to meet all Proved requirements except for SEC 5-year rule
- As Proved Undeveloped wells are drilled and put on production these locations would be reclassified to Proved Undeveloped

**Notes:**

1. Gas conversion ratio of 6:1; NGL ratio of 6:1

2. Williston Basin company-engineered reserves as of 1/1/2022 at 12/31/21 SEC prices of \$3.64/MMBTU and \$66.55/bbl.

3. SEC Proved Undeveloped locations are planned with ability to be drilled within 5 years.

## Transaction Summary and Highlights

# Williston Basin Acquisition Overview

### Transaction Summary

- Evolution has acquired a non-operated interest in Williston Basin assets from Foundation Energy Management ("Foundation") for \$25.9MM
- Foundation sold 50% of non-operated interest in certain assets located in Billings, Golden Valley, and McKenzie Counties, North Dakota to Evolution
- Effective date of June 1, 2021 and closing date of January 14, 2022

### Asset Highlights

- Foundation will remain as the operator of the assets
- Production primarily from the Three Forks, Pronghorn, and Bakken formations with large inventory of documented upside drilling locations

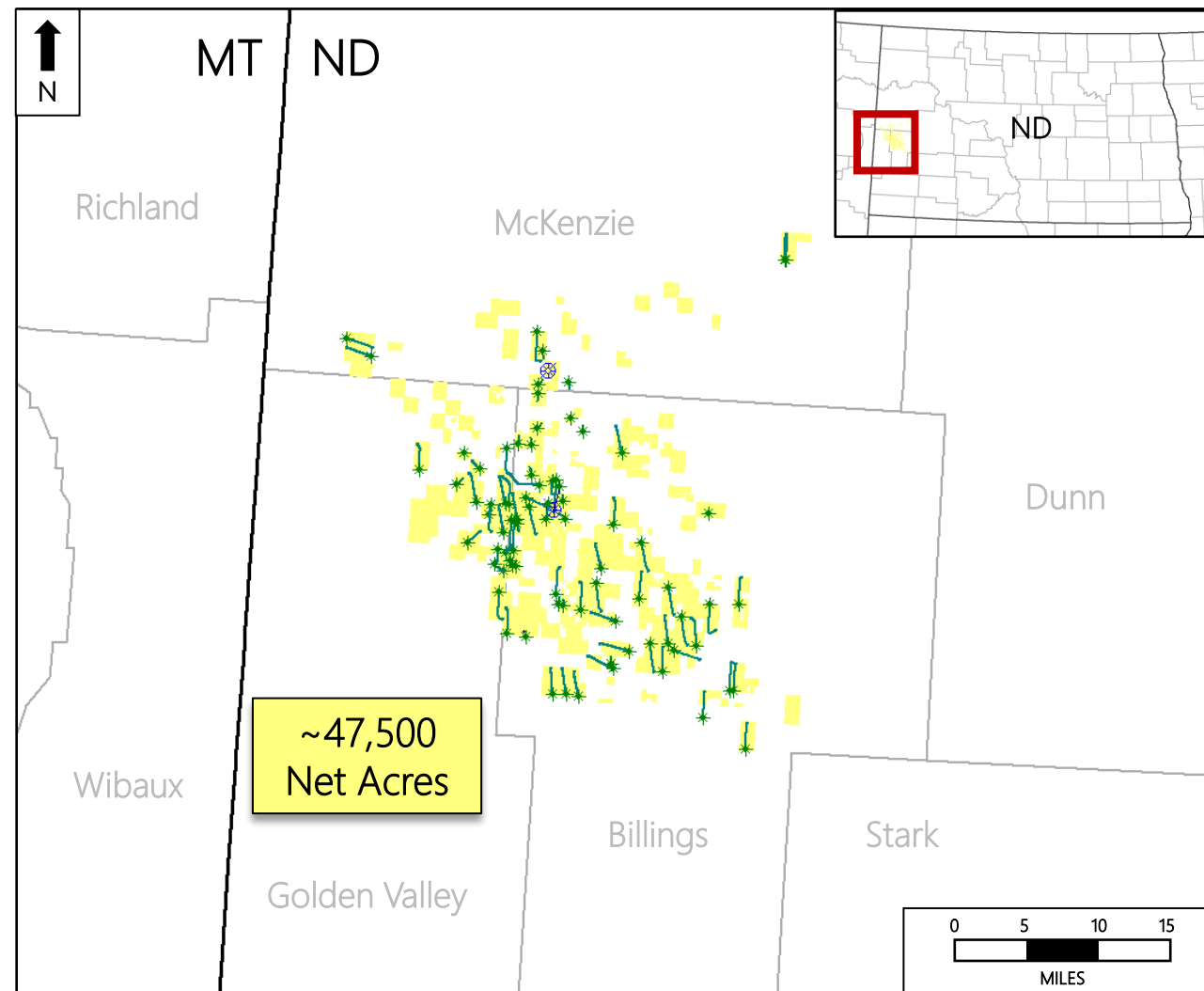
Est. Current Net Production <sup>(1)</sup>	596 BOEPD
Acreage	~47,500 net acres, 84% HBP
Average WI% / RI% / LNRI% <sup>(2)</sup>	38.67% WI / 32.50% RI / 84.04% LNRI
Gross PDP Wells	73
Pricing	Williston Basin Sweet (WBS)
Commodity Split	80% Oil / 11% Gas / 9% NGL
Net Producing Reserves / Net Undeveloped Reserves <sup>(3)</sup>	2.23 MMBOE / 7.42 MMBOE
Producing Reserves/Production (R/P) <sup>(1,3)</sup>	10.3 years

#### Notes:

1. Estimated average 3 months ending September 30, 2021. Gas conversion ratio of 6:1; NGL ratio of 1:1.

2. Mathematical average of 73 PDP wells.

3. Company engineered reserves as of 1/1/2022 at 12/31/21 SEC prices of \$3.64/MMBTU and \$66.55/bbl..



Adds 2.23 MMBOE PDP Reserves and 596 BOEPD

## Williston Basin Acquisition Highlights



Establishes strategic relationship with Foundation Energy Management and allows Evolution to propose, fund, and drill wells via a joint development agreement



Acquisition contains 440 potential upside drilling locations providing diversity of both reserves categories and internal rates of return



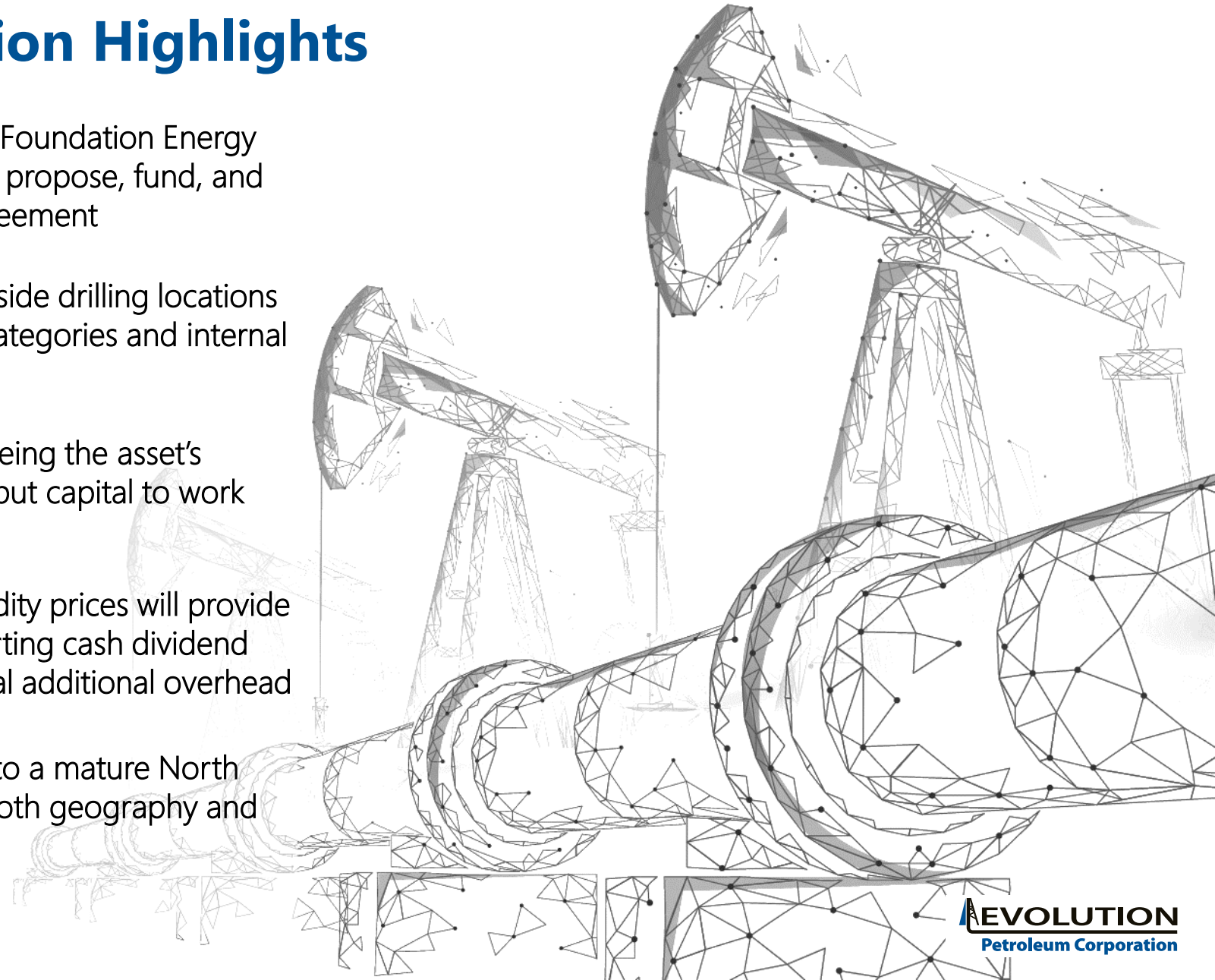
Evolution will be involved with overseeing the asset's development pace and the ability to put capital to work for increased returns to shareholders



Cash flow at current forward commodity prices will provide for rapid debt reduction while supporting cash dividend maintenance and growth with minimal additional overhead



Expands Evolution's asset footprint into a mature North Dakota basin, providing diversity of both geography and commodity market access





## Transaction Summary and Highlights

# Jonah Field Acquisition Overview

### Transaction Summary

- Evolution has agreed to acquire a non-operated interest in the Greater Green River Basin assets from Exaro Energy III, LLC for \$29.4MM
- Evolution will acquire approximately 19% WI in the Jonah field located in Sublette County, Wyoming
- Effective date of February 1, 2022 and anticipated closing date in April 2022

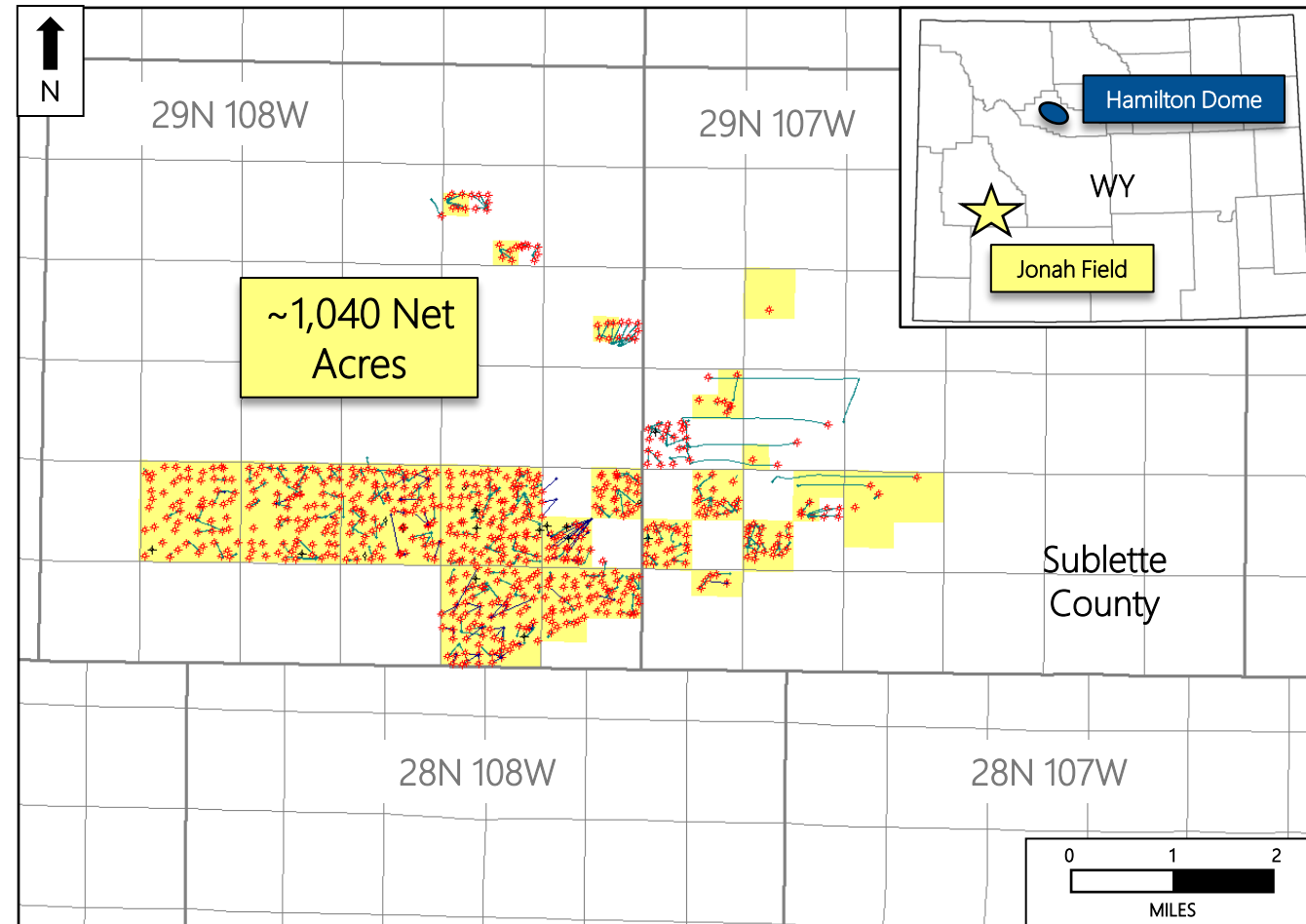
### Asset Highlights

- Jonah Energy is the operator of the field
- Producing from the Lance Pool consisting of 3,000' to 5,000' of gross thickness (~45% net pay) of over-pressured reservoir
- Sub-10% decline<sup>(1)</sup>
- Multiple takeaway options for gas sales – Kern (West Coast), NWPL (Northwest), Overthrust / REX (Midcontinent)

Est. Current Net Production <sup>(2)</sup>	14,238 MCFEPD / 2,373 BOEPD
Acreage	~1,040 net acres, 100% HBP
Average WI% / RI% / LNRI% <sup>(3)</sup>	19.3% WI / 14.7% RI / 76.2% LNRI
Gross PDP Wells	648
Pricing	Opal - Northwest Pipeline
Commodity Split	88% Gas / 6% Oil / 6% NGL
Net PDP Reserves <sup>(4)</sup>	42 BCFE / 7.0 MMBOE
PDP Reserves/Production (R/P) <sup>(4)</sup>	8.1 years

#### Notes:

1. Estimated first year decline.
2. Estimated average 3 months ending September 30, 2021. Gas conversion ratio of 6:1; NGL ratio of 1:1.
3. Mathematical average of 648 PDP wells.
4. Company engineered reserves as of 2/1/2022 at 12/31/21 SEC prices of \$3.64/MMBTU and \$66.55/bbl.



Adds 7.0 MMBOE PDP Reserves and 2,373 BOEPD

## Jonah Field Acquisition Highlights



Acquisition provides access to multiple attractive markets including to the west through the Opal market hub, with optionality to flow to eastern markets



Further diversification into natural gas promotes a balanced commodity mix to provide dividend security



Assets purchased on an attractive PDP valuation for its long-life, low-decline characteristics that fit Evolution's proven M&A strategy

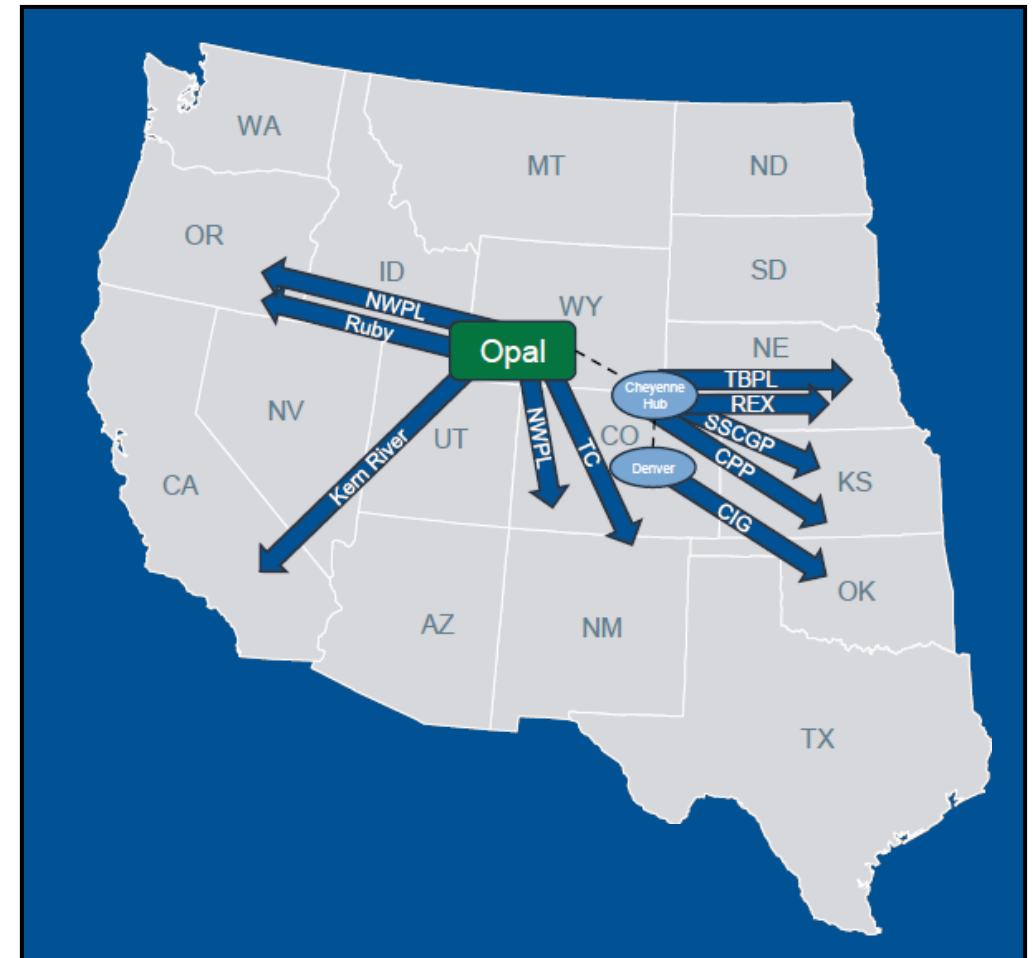


Achievement of growth and scale without shareholder dilution or material increase in overhead, while maintaining low leverage



Assets managed by a respected and established operator in the region

### Marketing Optionality



# Evolution's Value Proposition

1

## Attractive Dividend Supports Total Shareholder Return

- Consecutively paid dividends since 2013
- Currently ~5% yield at \$0.30/share annually

2

## Solid Financial Position

- Low leverage at less than 1x pro forma debt/EBITDA

3

## High Quality, Low Risk, Long-lived Asset Base

- Low production decline and positive cash flow; 20+ years remaining life
- Potential upside drilling and workover opportunities in recently acquired Williston Basin and Barnett Shale assets

4

## Consistent Track Record of Generating Cash Flow

- 9 years of positive operating cash flow
- Substantial additional free cash flow from recent acquisitions

5

## Executing a Disciplined Growth Plan

- Signed PSA for Jonah Field Acquisition on February 8, 2022
- Closed Williston Basin acquisition on January 14, 2022
- Closed Barnett Shale acquisition on May 7, 2021
- Closed Hamilton Dome field acquisition on November 1, 2019
- Positioned to execute future acquisitions with conservative leverage

REACH US

## Contact Information

Thank you for your interest in **Evolution Petroleum Corporation**  
**NYSE: EPM**



1155 Dairy Ashford, Suite 425  
Houston, TX 77079



+1 713 935 0122



[info@evolutionpetroleum.com](mailto:info@evolutionpetroleum.com)



[www.evolutionpetroleum.com](http://www.evolutionpetroleum.com)

### Management Team

[Jason Brown](#) | President & CEO | [jbrown@evolutionpetroleum.com](mailto:jbrown@evolutionpetroleum.com)

[Ryan Stash](#) | Senior Vice President & CFO | [rstash@evolutionpetroleum.com](mailto:rstash@evolutionpetroleum.com)