



## Company Update

*Summer 2024*

# Experienced Rockies Focused Management Team...

## Fundare Senior Leadership

**Michael Starzer** – Executive Chairman

**Cody Truitt** – President & CEO

**Scott Landreth** – Chief Financial Officer

**Cliff Linhardt** – Chief Accounting Officer

**Craig Gleaton** – General Counsel & VP Land

**Bryan Brown** – VP Operations

**Daniel Seaver** – VP Midstream & Marketing



## Differentiated Equity Sponsor

- Woodward Diversified Capital (“WDC”) provides advanced investment strategies and wealth management solutions to high-net-worth individuals and family offices
- Over \$500 million of assets under management
- Reputation as innovative and responsive investors, with broad transaction capabilities and a long entrepreneurial tradition of investments in a diverse range of industries
- Over 20-year investing relationship with Mike Starzer and the “Creek” Entities
- Headquartered in Bakersfield, California



## “Friends & Family” Investor Group

**Charlie McNeil**

**Gary Grove**

**Anthony Bahr** (*Board Observer*)



# ...With a History of Delivering Shareholder Returns

- Fundare Resources Company (“Fundare”) is a private oil and gas exploration and production company formed in 2021 and headquartered in Denver Tech Center, Colorado with operations in the Rocky Mountain Region
- Assets under Fundare’s management include operations in the DJ Basin of Colorado (Redtail and Moonrise Midstream) and the Green River Basin of Wyoming
- Experienced, multi-disciplined institutional quality team with a track record of creating shareholder value
  - Core team worked together at Bonanza Creek and Fifth Creek Energy
  - Series of “Creek” companies provided investors with opportunity to achieve 3.3x ROI and 39% IRR on \$753 million of equity invested, including a successful IPO in 2011
  - Capitalized through non-traditional private equity sponsorship with a focus on long-term investor returns
- Low-risk, “Yield + (opportunistic) Growth” strategy
  - Low-decline, cash flow heavy asset base
  - Emphasis on efficient operations to maximize field level cash flow
  - Capture price appreciation through opportunistic and timely development
  - Maintain low-leverage profile and return capital to shareholders

Yield-Oriented Producing  
Property Acquisition Platform

Quality Assets in Favorable  
Rural Operating Areas

Experienced Team with  
> 100 Combined Years of  
Operating in the Rockies

Strong Alignment with Long-  
Term Return Focused Sponsor

# Low-Risk, Yield-Driven Business Model

*Fundare will continue to employ a low risk, yield driven acquisition strategy possessing growth through efficient operations, state-of-the-art development and commodity price upside. Company has a proven track record to date with the Redtail assets in the DJ Basin and Rangeview assets in the Green River Basin*

Acquire Low-risk Free Cash Flow  
Yielding Minimum 8% Dividend

Yield



Growth

Capture Development and Commodity Price Upside  
Fundare's Proven Management Expands Development

## ▪ Strategy

- Acquire at attractive prices low-risk PDP reserves with associated upside
- Evaluate and rapidly pivot to high-growth upside through development and price acceleration
- Maximize field level cash flow through improved operations (reduce operating costs and enhance commercial arrangements)
- Leverage midstream expertise to expand infrastructure and maximize netbacks
- Disciplined use of hedging to minimize price volatility and protect quarterly dividends
- Prudent leverage maximizing equity returns while maintaining balance sheet strength

## ▪ Target Acquisition Profile

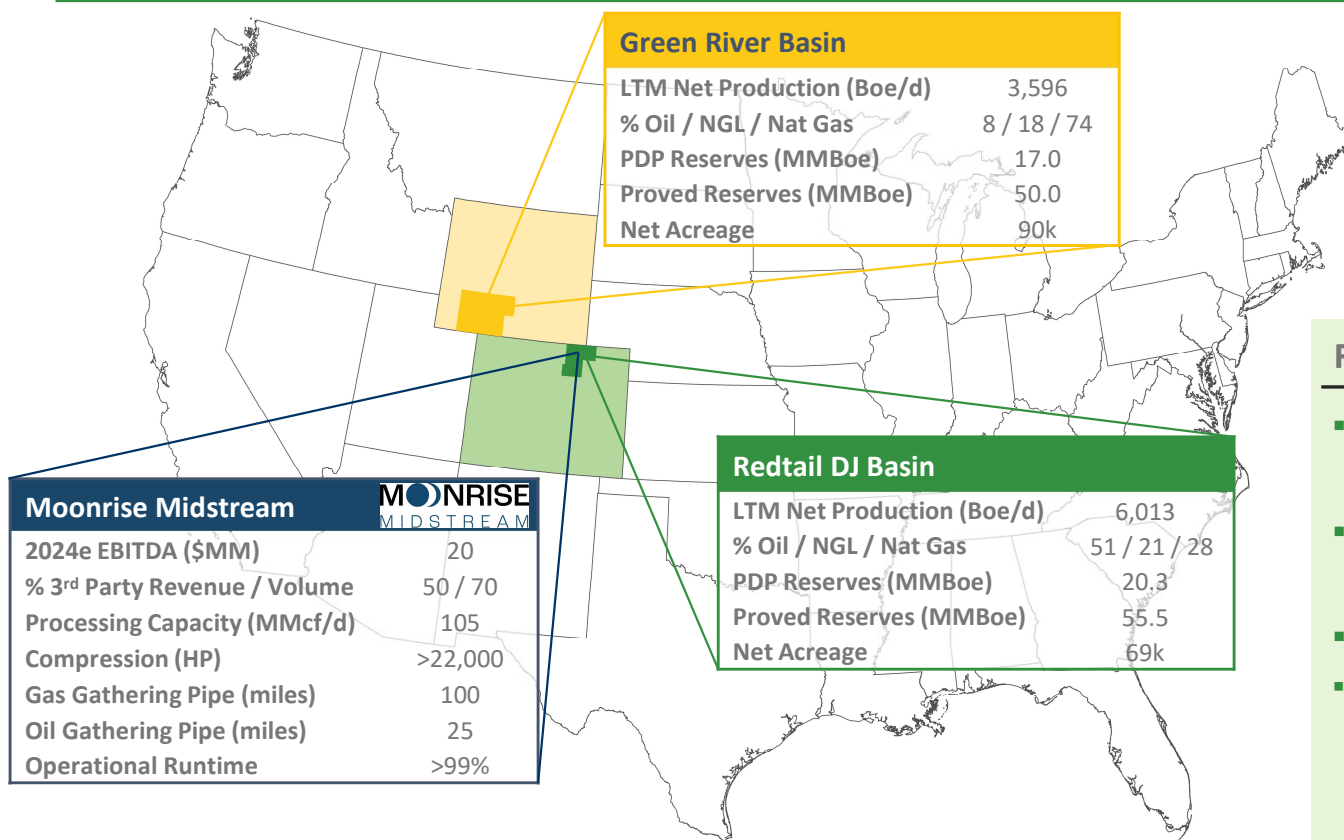
- Rocky Mountain region
- Assets within Fundare's proven operating expertise
- Basins with mature infrastructure providing opportunity to achieve scale quickly

## ▪ Harvest Free Cash Flow for Quarterly Distribution to Owners

- Establish and maintain long-lived, low-decline cash streams generating a minimum 8% dividend
- Intense focus by Fundare's proven management team on efficient operations and improving netbacks



# Building a Substantial Rockies Footprint



| Fundare Upstream           | FUNDARE<br>RESOURCES COMPANY, LLC |
|----------------------------|-----------------------------------|
| LTM Net Production (Boe/d) | 9,609                             |
| % Oil / NGL / Nat Gas      | 35 / 20 / 45                      |
| PDP Reserves (MMBoe)       | 37.3                              |
| Proved Reserves (MMBoe)    | 105.5                             |
| Net Acreage                | 159k                              |

## Fundare Investment Highlights<sup>1</sup>

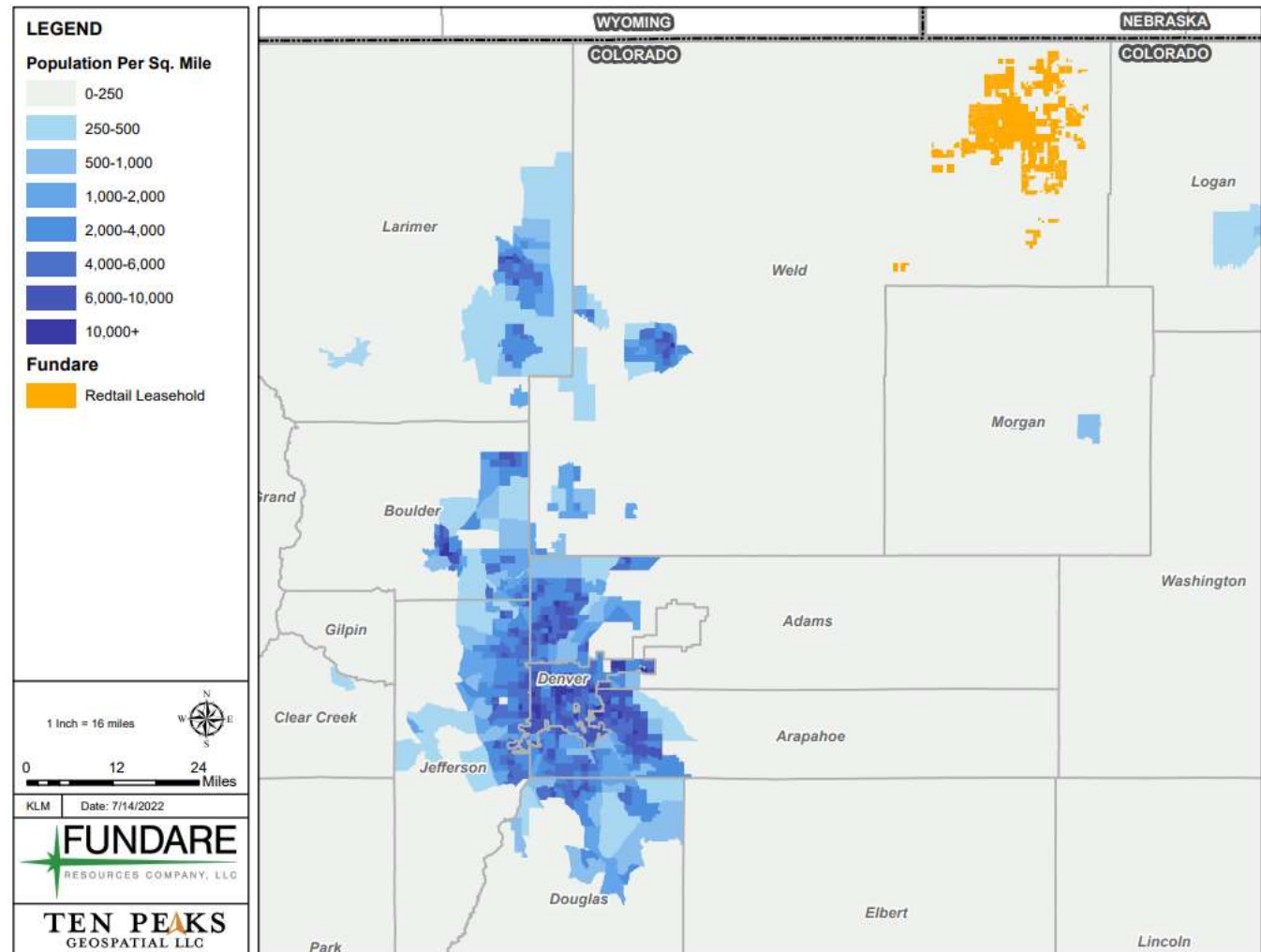
- **\$332 million invested to date**
  - >45% of Equity returned through 2Q 2024
- **2023 EBITDA of \$80 million**
  - 7 wells in DJ Basin (Razor 29S)
- **2024e EBITDA of \$70 million**
- **2025e EBITDA of \$90 million**
  - 13 wells in DJ Basin (Wildhorse 4, Wolf 35N & Wildhorse 2)
  - Green River development in 2H25 (3-4 wells/yr)

## 20+ Year Track Record of Building Companies and Shareholder Returns

| 1999   | 2000-2006  | 2006-2010  | 2010-2014   | 2015-2017  | 2021-2024   |
|--|--|--|---|--|---|
| <ul style="list-style-type: none"> <li>▪ Mike Starzer co-founded first “Creek” company, Bonanza Creek Oil Company (BCOC), with “Friends and Family” financing</li> </ul> | <ul style="list-style-type: none"> <li>▪ Sold core Wattenberg position to strategically refocus on oil development</li> <li>▪ <b>Delivered 36% IRR and 5.9x ROI to equity holders</b></li> </ul> | <ul style="list-style-type: none"> <li>▪ Formed second and third “Creek” companies with a focus on conventional and unconventional oil assets</li> </ul> | <ul style="list-style-type: none"> <li>▪ Fourth “Creek” company, Bonanza Creek Energy, Inc. (BCEI), was formed in December 2010</li> <li>▪ IPO in December 2011</li> <li>▪ <b>Delivered 46% IRR and 2.3x ROI to anchor investors</b></li> </ul> | <ul style="list-style-type: none"> <li>▪ Fifth Creek Energy founded in March 2015</li> <li>▪ Delivered best-in-class drilling results across 80k acre leasehold position</li> <li>▪ Merged with Bill Barret (53%/47%) to form HighPoint Resources</li> <li>▪ <b>Delivered 106% IRR and 3.7x ROI</b></li> </ul> | <ul style="list-style-type: none"> <li>▪ Acquired DJ Basin assets (Redtail upstream and midstream) from Whiting Petroleum in September 2021</li> <li>▪ Acquired Green River Basin assets in July 2022</li> <li>▪ Permitting and drilling in DJ Basin</li> <li>▪ Moonrise Midstream commercialization with 3<sup>rd</sup> Party volumes</li> </ul> |

# Favorable Rural, Colorado Operating Environment

- Highly contiguous, oil acreage in rural Weld County
- 100% unincorporated Weld County acreage with no municipality overlap
- Actively engaged with and receiving permits from regulatory agencies
  - 43 permitted drilling locations
  - OGDs in process for remaining inventory with expectation to be fully permitted by end of 2024 (101 total permitted locations)



# Fundare Redtail DJ Basin Asset Overview

## Asset Summary

### Production:

|                           |              |
|---------------------------|--------------|
| LTM Net Boe/d             | 6,013        |
| % Oil / NGL / Natural Gas | 51 / 21 / 28 |

### Acreage:

|              |        |
|--------------|--------|
| Net WI Acres | 69,000 |
| % HBP        | 72%    |
| % Fee        | 72%    |
| % Federal    | 32%    |

### Operations:

|                         |                |
|-------------------------|----------------|
| Avg WI/NRI   % Operated | 96%/80%+   99% |
| PDP Wells   Operated    | 459   308      |

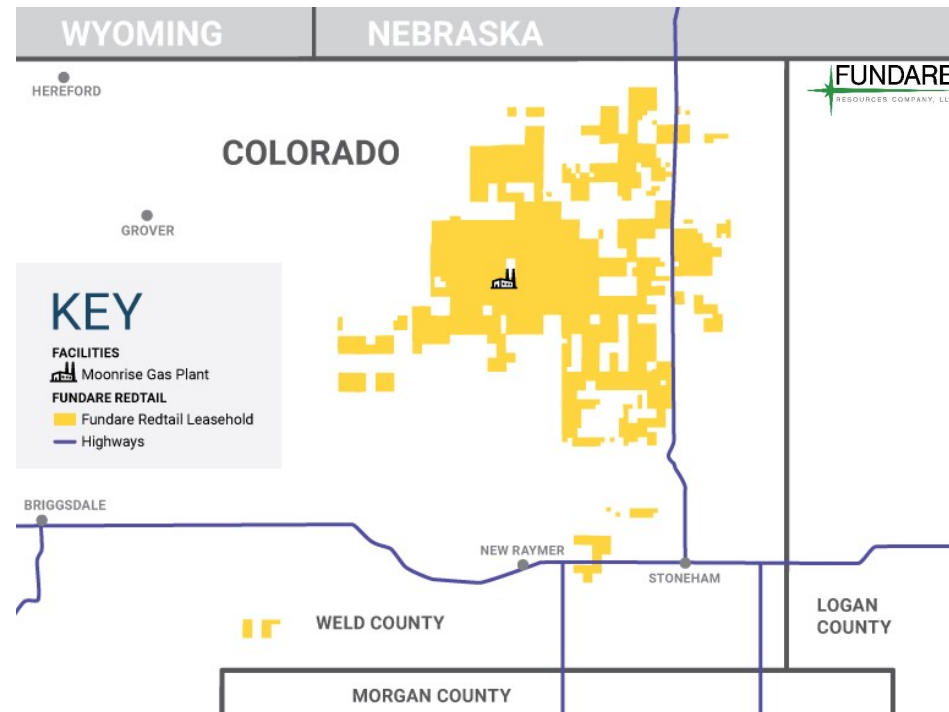
### Reserves:<sup>1</sup>

|                                |               |
|--------------------------------|---------------|
| PDP Reserves (MMBoe)           | 20.3          |
| Total Proved Reserves (MMBoe)  | 55.5          |
| PDP PV-10%                     | \$195 million |
| Total Proved + Probable PV-10% | \$421 million |

### Lease Expirations<sup>2</sup>:

|          |        |
|----------|--------|
| Core     | HBP    |
| Non-Core | 15,500 |

## Leasehold Position



## Background

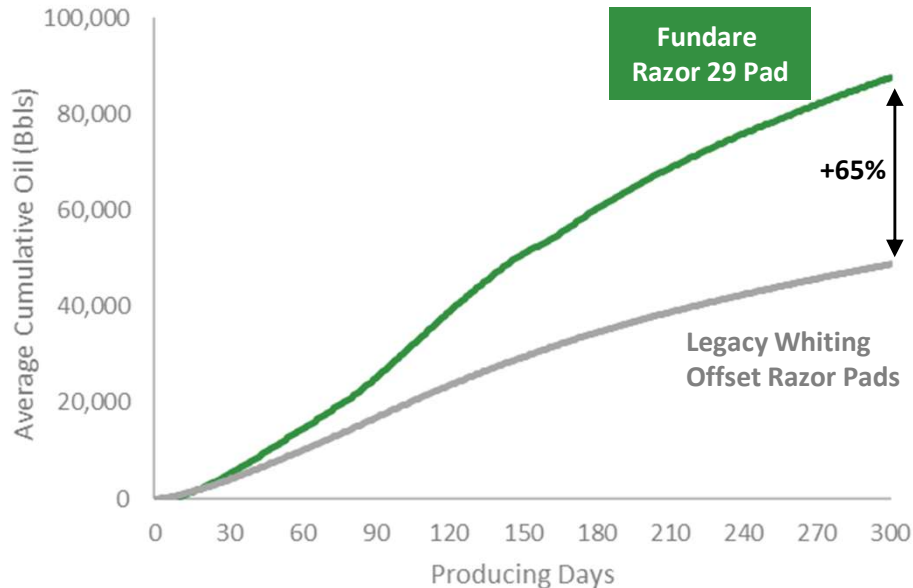
- Acquired from Whiting Petroleum in September 2021
- Great neighborhood including Chevron, Civitas, Bison, others
- Rural, Northeast Wattenberg of the DJ Basin

## Strategy / Near Term Plans

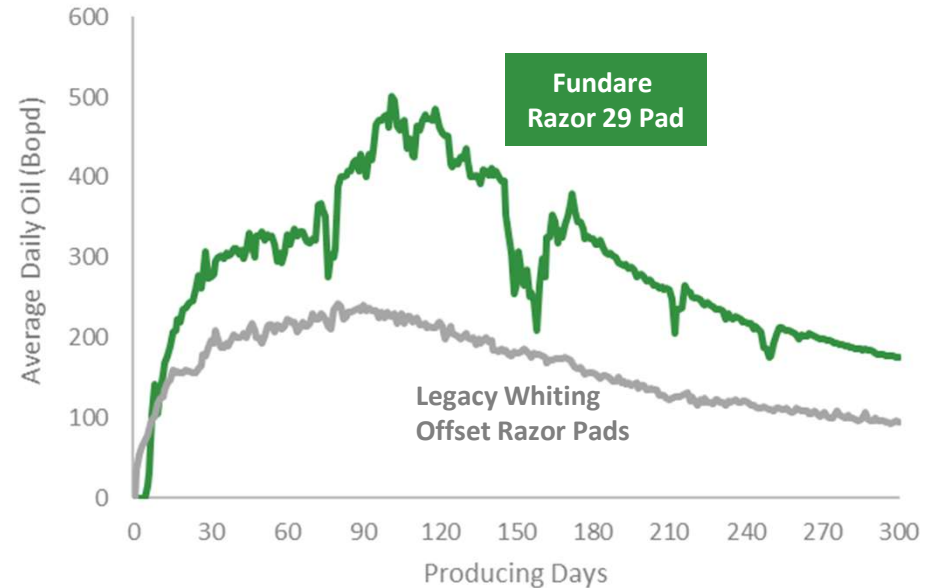
- Develop Wildhorse area in 2024/2025
- Drill 2+ pads per year over next 5 years
- Actively pursue bolt-on acquisition targets

# Fundare Development Outperforming Legacy Razor Wells

Average Cumulative Oil Production per Well

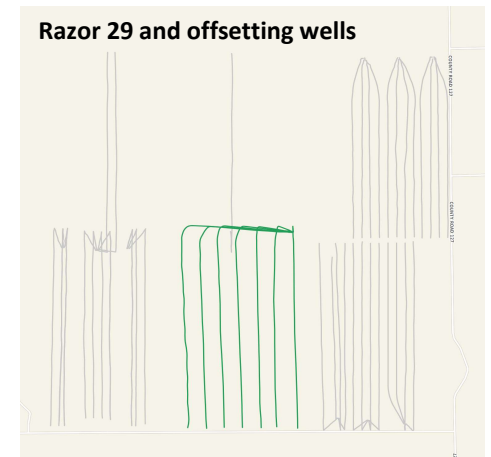


Average Daily Oil Production per Well



- Razor 29H wells are outperforming offsetting legacy Razor wells drilled by Whiting due to...
  - Optimized spacing:
    - **8 wells per DSU** by Fundare vs 16-24 wells per DSU by Whiting
  - Modern completion design:
    - **45 Bbbls/Ft and 2,250#/ft** by Fundare vs 32 Bbbls/ft and 800-1,200#/ft by Whiting
  - Enhanced recovery flowback
    - Delaying peak rates but flattening decline and optimizing EURs

Razor 29 and offsetting wells





# Moonrise Midstream Asset Overview

## System Overview

### Processing:

Refrigeration Plant – MMcf/d Capacity 105

### Gas Pipelines & Compression:

Gas Gathering Pipelines (miles) 100  
Compression (HP) >22,000

### Crude Gathering:

Crude Gathering Pipelines (miles) 25

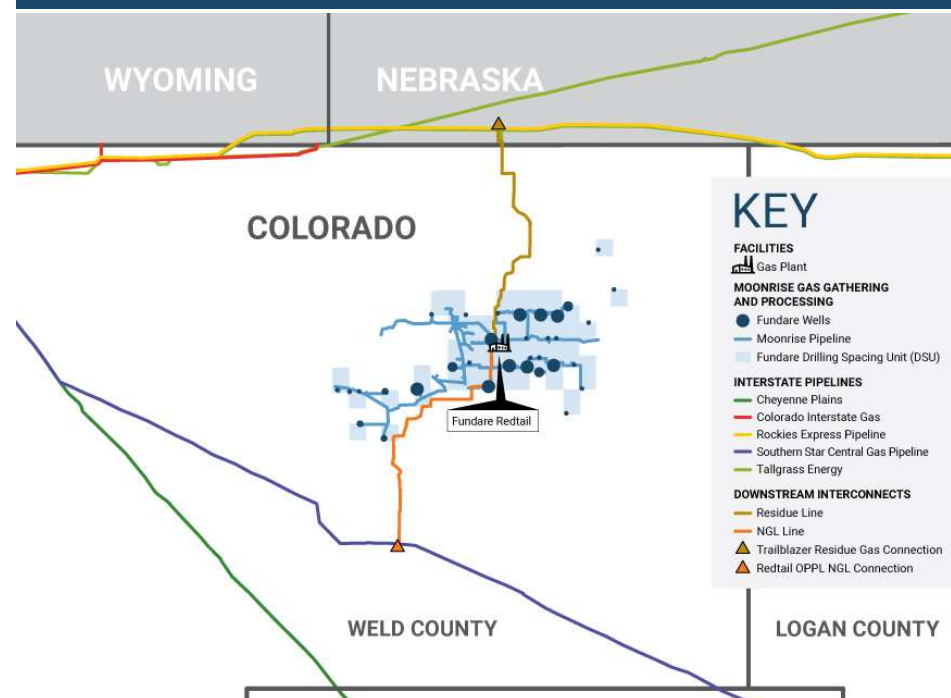
### Operations:

Runtime >99.4%  
Emissions Rotating equipment fully electric  
FL&U Average 2%

### Interconnects:

Gas Trailblazer  
Crude Oil Pony Express  
NGLs Overland Pass

## System Map



## Diversified Customer Base



## Background

- Acquired from Whiting Petroleum in September 2021
- Spun-off from Fundare Redtail
- Largest gas plant in northeast DJ Basin

## Strategy / Near Term Plans

- Evaluating A&D strategies
- Grow 3<sup>rd</sup> Party volumes and commercial agreements
- Continued superior operating metrics and customer focus

# Green River Basin Overview

## Asset Summary

### Production:

|                           |             |
|---------------------------|-------------|
| LTM Net Boe/d             | 3,596       |
| % Oil / NGL / Natural Gas | 8 / 18 / 74 |

### Acreage:

|              |        |
|--------------|--------|
| Net WI Acres | 90,000 |
| % HBP        | 75%    |
| % Fee        | 9%     |
| % Federal    | 91%    |

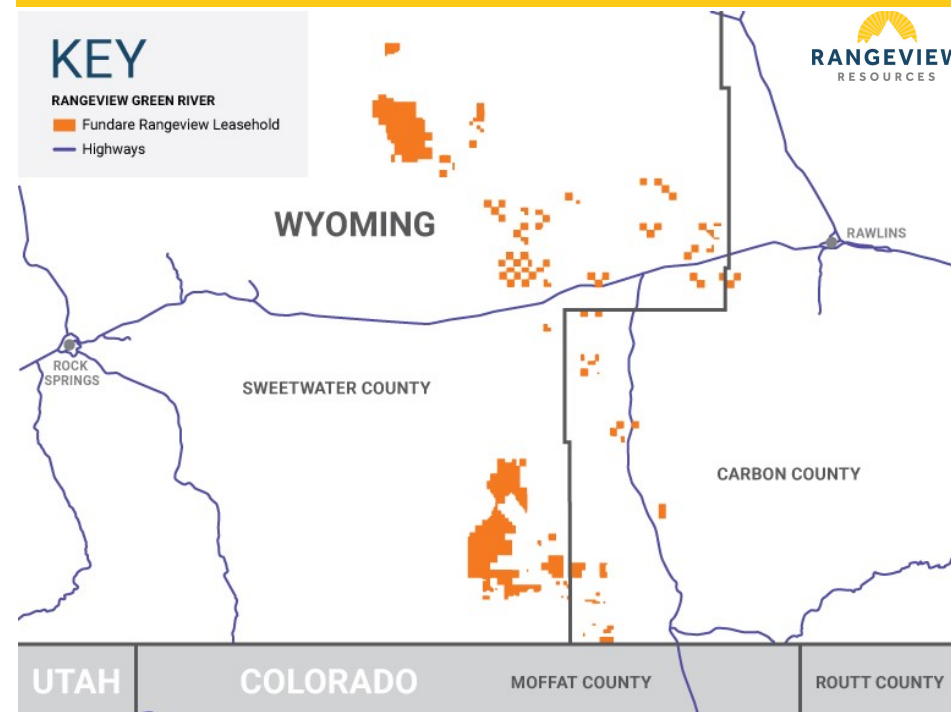
### Operations:

|                         |               |
|-------------------------|---------------|
| Avg WI/NRI   % Operated | 84%/85%   88% |
| PDP Wells   Operated    | 336   191     |

### Reserves:<sup>1</sup>

|                                |               |
|--------------------------------|---------------|
| PDP Reserves (MMBoe)           | 17.0          |
| Total Proved Reserves (MMBoe)  | 50.0          |
| PDP PV-10%                     | \$113 million |
| Total Proved + Probable PV-10% | \$321 million |

## Leasehold Position



## Overview

- Acquired from HRM Resources III in July 2022
- Located in rural Sweetwater and Carbon counties of the Green River Basin, Wyoming

## Strategy / Near Term Plans

- Optimize base production
- Develop utilizing modern advanced completion design
- Actively pursue bolt-on acquisition targets

# Environmental Stewardship

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## Colorado leads the nation in providing a regulatory framework for responsible oil and gas development

- Colorado's oil and natural gas regulations underwent a significant legislative review in 2019/2020 creating industry-leading standards
- Fundare's senior leadership has extensive operating experience in Colorado, is committed to safe operations, the environment, and the communities in which we live and work

## Strong Focus on Responsible Operatorship in Redtail

- **Minimal truck traffic** with all fresh water, produced water, and oil on infield gathering pipeline systems throughout the Redtail Field
- **Target Zero Flaring** with 99% of operated wells tied into company owned gas gathering system and gas processing plant
- **Leak Detection and Repair Program (LDAR)** further reduces CO2 emissions
- **Vapor Recovery Units** in the field to capture gas emissions off tanks
- Implemented **Tankless Facilities** to further reduce emissions and spill prevention
- In process of converting gas-fired compressors to **electric-drive compressors** for gas-lift
- **Electrified key facilities** including compression associated with gas plant, pumping units, small instrumentation, and valves

## Future ESG Initiatives

- Solar farm on ~100 acres of owned surface to offset power currently supplied off the grid
- Tankless Facilities for future development
- Compressed natural gas (CNG) partnership with Voltagrid to sell CNG to frac fleets and deliver increased gas netback to Redtail