



ARRIVAL OF A NEW MARKETPLACE FOR UNDEVELOPED ACREAGE

Introduction by Guale Ramirez



Ryder Scott Annual
Reserves Conference
September 2021

New Market Place

Exposing the tremendous value of undeveloped Permian Acreage

relevant • transparent • simple

Permian Drilling Inventory

New Investor Market for Oil



130K locations
50+ years of Drilling

SLU

\$300 Billion
Available Capital

Path to Liquidity for interests in Future Drilling Inventory
Standardize Land Contract & Asset Rating
Trusted, Proven Team

A capital markets innovation that changes the game for Permian E&P's

Investment Product from WI Inventory

Super Location Entity Formation

SLU Marketplace


Two Sections



Standardized LLC

Super Location Entity E&P 1	
E&P 1	75%
APA	20%
B	3%
A	2%

Steps

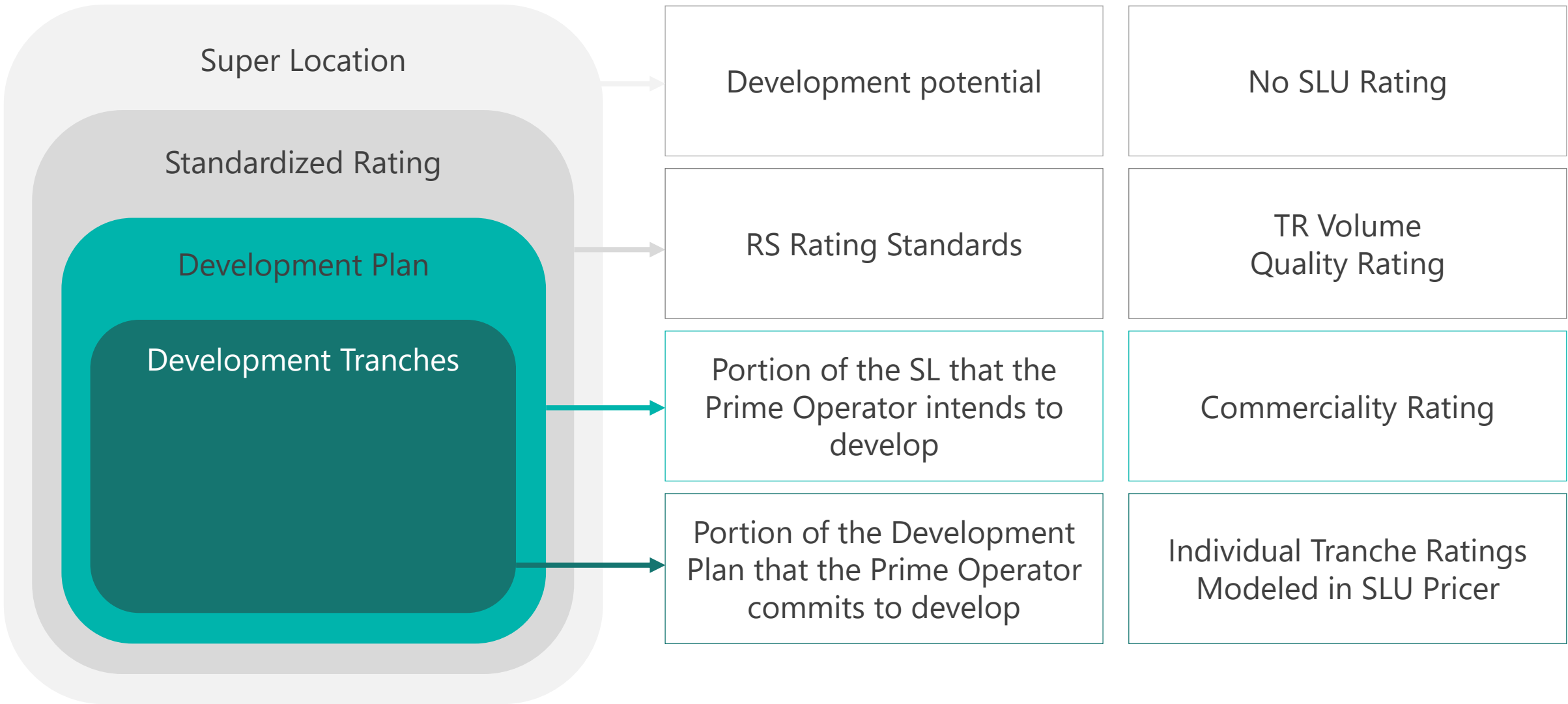
Super Location Entity
Rated by 
Standard JOA
Development Plan
Binding Dates

Bid/Ask Online Process

- LLC Unit Holder lists shares and ask price
- Generalist investor audience actively submit bids
- Investors value shares using the **SLU Pricer** *
- The key variables commodity price, projected volatility of cash flows and desired rate of return.

* **SLU Pricer**, and options methodology explained in pricing section

Rating Basics



SLE Formation & Listing

1. Identify Candidates – Work with SLUE

2. Initial Development Plan, Ryder Scott Ratings and Pricing Discussions

3. SLU Standards, JOA and Standard SLE LLC and Engagement Letter Review

4. Finalized Development Plan, Finalized Ryder Scott Rating

5. Execute agreements & assigning acreage

6. List Desired Volume on SLU Marketplace

Relatively simple process (compared to alternatives – A&D, DrillCo), starting with a 1280 acre double section parcel.

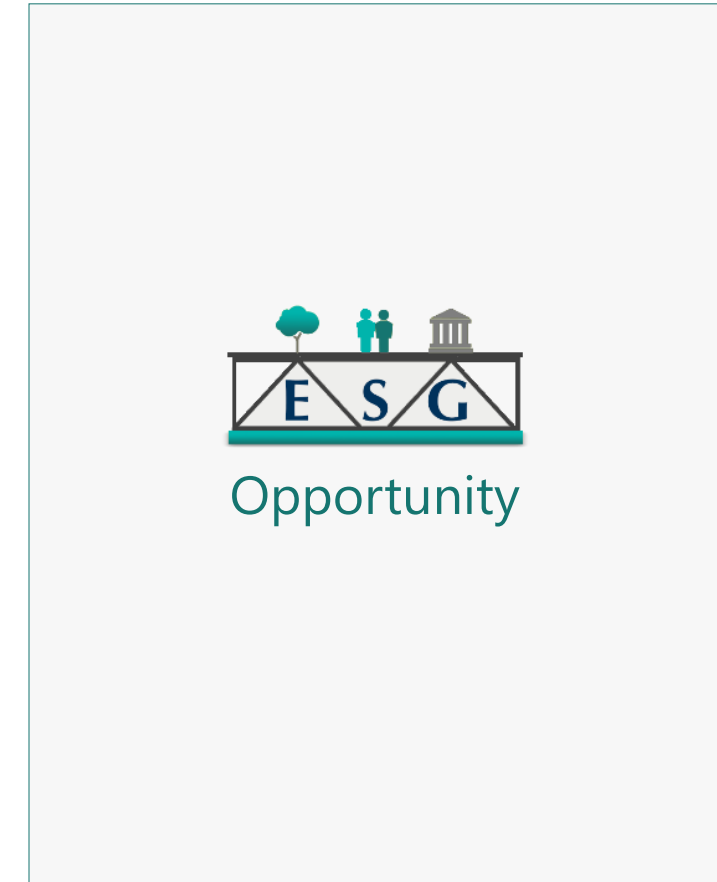
Using the standardized JOA, and a development plan provided by the operator (Prime), an LLC (Super Location Entity or SLE) is created and rated by Ryder Scott.

Ryder Scott determines the technically recoverable resource volume of the Super Location, and provides a quality grade and a commerciality grade of each formation.

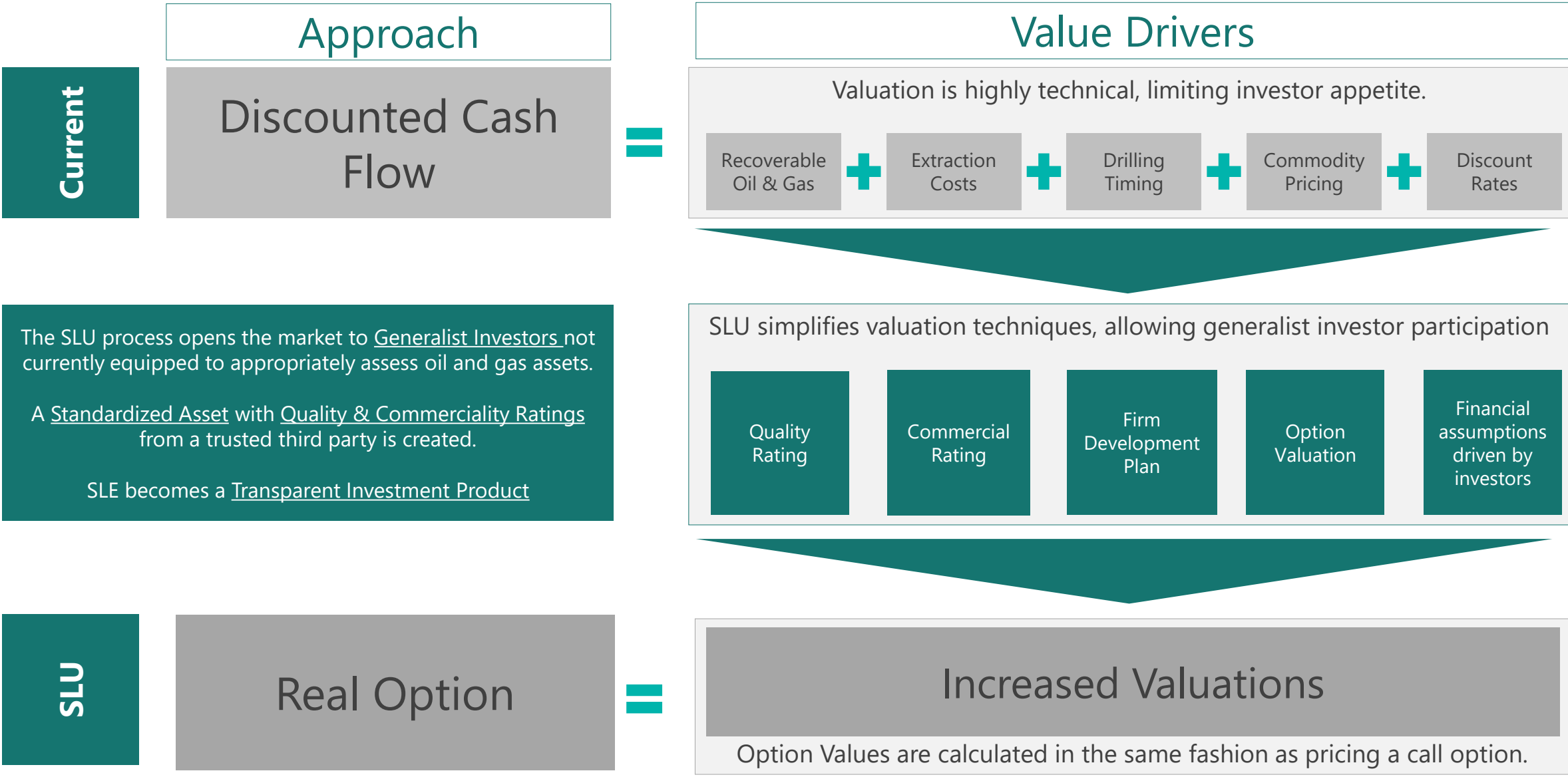
SLE LLC Share owners have full control over the sales process

ESG Rated Investments

- The SLU Marketplace will include third party-rated, ESG best practice Super Locations, which will likely trade at a premium valuation over non-ESG focused SLs
- SLU E&P Operators have a strong interest in becoming the cleanest, most environmentally friendly producers possible but cannot transform legacy, company-wide operations overnight
- A ring-fenced Super Location, however, can implement ESG best practices much easier such as:
 - No flaring or venting
 - No net use of fresh water (100% recycled)
 - No toxic chemicals employed
 - High safety standards

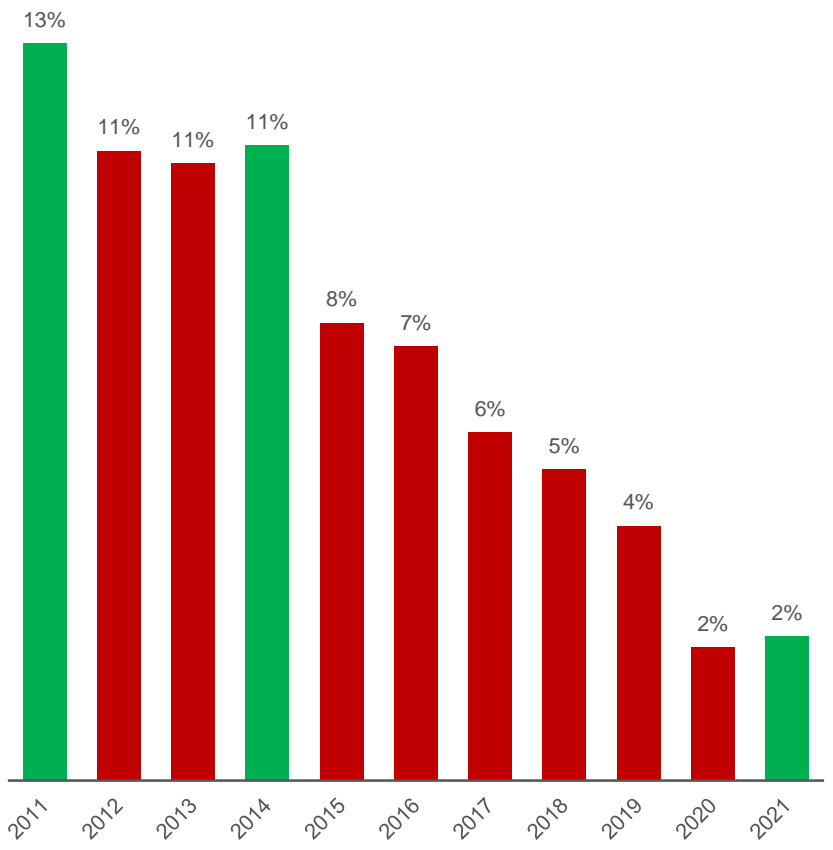


New Market, New Pricing

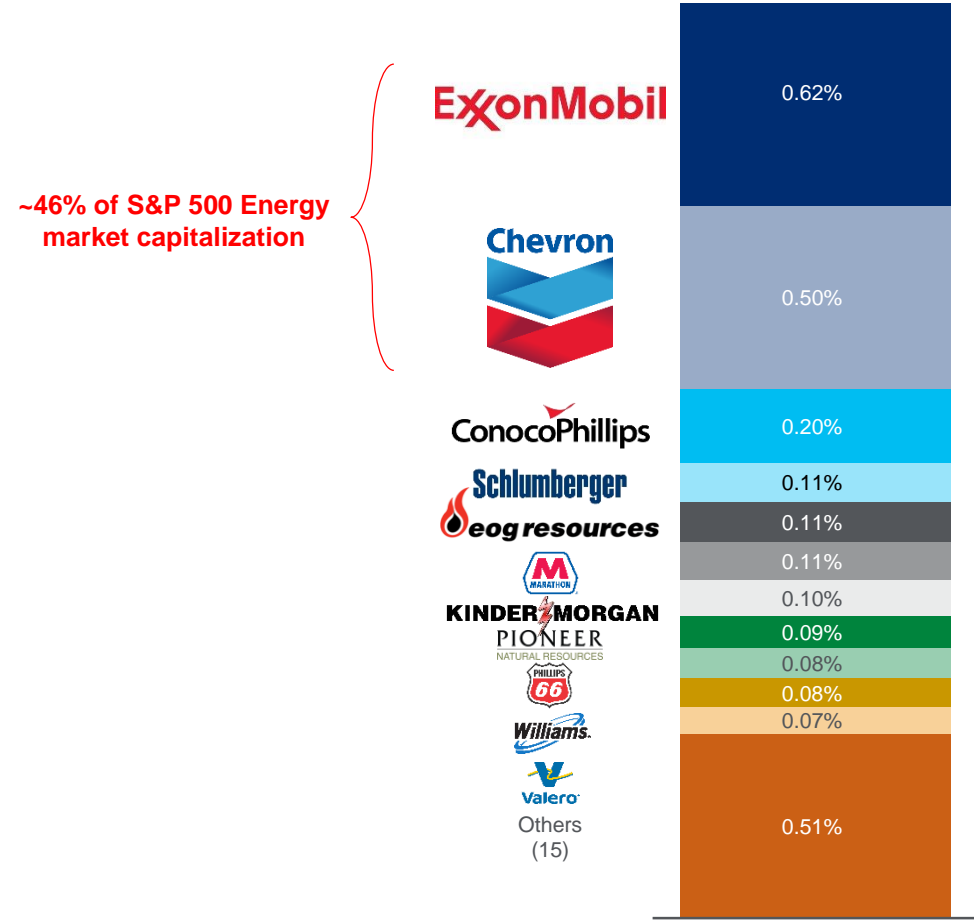


Energy Has Become Relatively Smaller.....

Energy Market Capitalization % of S&P 500

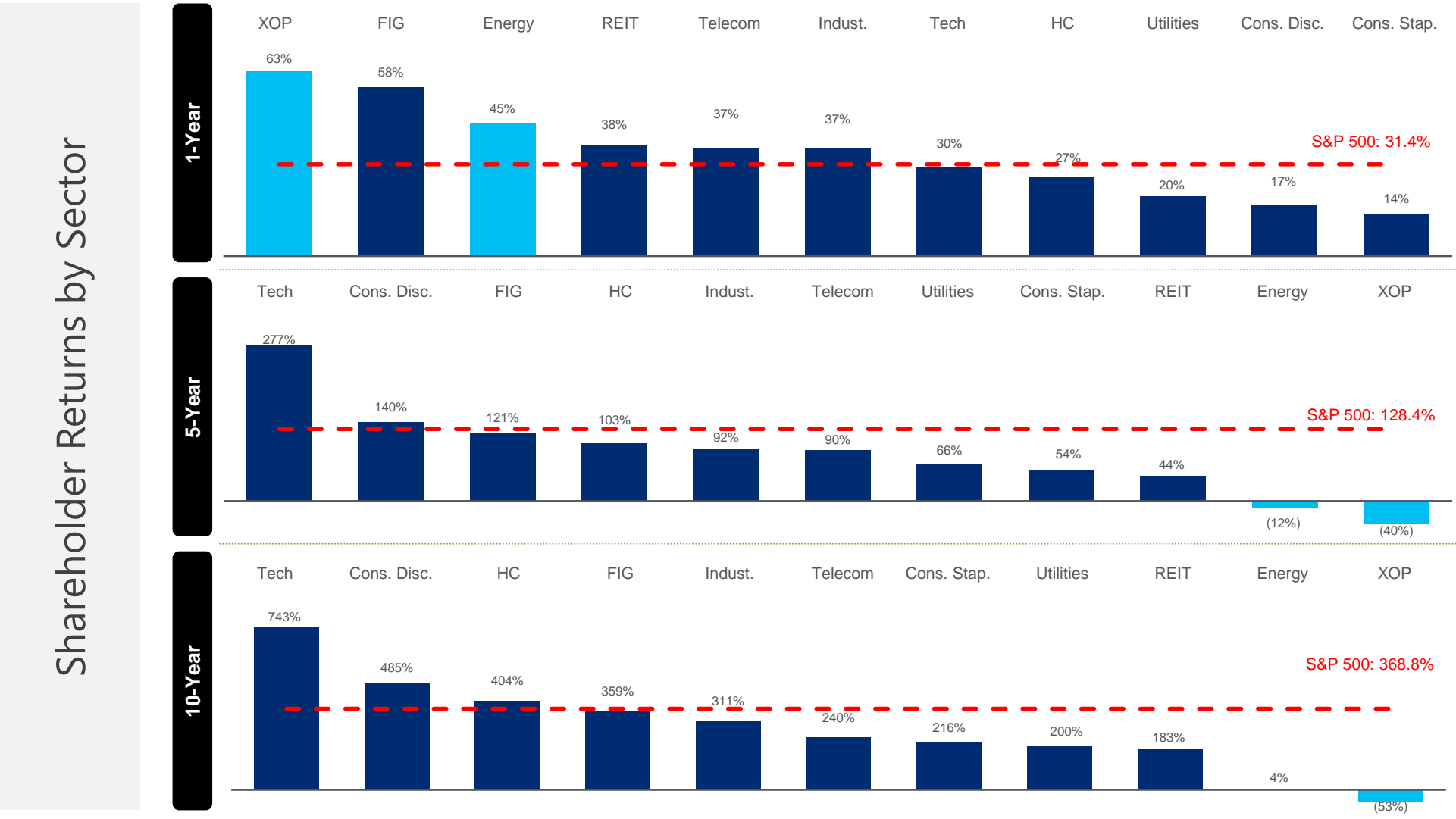


Energy Constituents Mkt Cap % of S&P 500



Source: Citi, FactSet. Market data as of 8/27/2021.

.....With Lower Returns than Other Sectors



Source: Citi, Bloomberg. Market data as of 8/27/2021.

SLU Is a New Way for E&Ps to Attract Capital

New valuation marker created



- Investors can directly observe acreage trading
- Corporate values should reflect asset value

Standardized structure



- Transactions can be executed rapidly
- Minimize internal work for capital raising

E&P controls transaction sizing



- Flexible and scalable monetization alternative
- Capital could be used for any corporate need

All acreage eligible to be included



- Could use long dated or lower return acreage
- Continued ability to manage asset portfolio

Credit for environmental performance



- Operator can be paid for positive ESG work
- Ability to receive value for incremental costs

Pricing Acreage Like an Option on Stock

Black Scholes Input	Value ¹ of Call Option on a Single Stock		Value of a Call Option on a Single Well	
	Input	Comments	Inputs	Comments
Underlying Price	\$20.50 / share	<ul style="list-style-type: none"> - Current stock price - Easily observed 	\$9.5 MM	<ul style="list-style-type: none"> - Discounted CF after drilling and producing a well - Significant number of inputs utilized - Value dependent on traditional E&P methodology until market develops, then may be implied from market prices
Strike Price	\$20.00 / share	<ul style="list-style-type: none"> - The exercise price of the option - Contractually defined 	\$8.2 MM	<ul style="list-style-type: none"> - Capital cost to drill and complete - Not static, may move with time
Time to Maturity	3 years	<ul style="list-style-type: none"> - When the option can be struck - Contractually defined 	4 years	<ul style="list-style-type: none"> - Defined as part of disclosed drilling plan - Will be contractually defined
Volatility of Underlying	15%	<ul style="list-style-type: none"> - Generally implied from the option's traded price 	30%	<ul style="list-style-type: none"> - May initially use historical or forward energy equity or commodity volatility - In future, could be implied from pricing
Interest Rate	2%	Current risk-free rate	2%	Current risk-free rate
Intrinsic Value	\$0.50 / share	Value equals Underlying minus Strike Price	\$1.3 MM	Value equals Underlying minus Strike Price
Time Value	\$2.47 / share	Any value in excess of Intrinsic Value	\$1.5 MM	Any value in excess of Intrinsic Value
Total Option Value	\$2.97 / share	Result calculated by Black Scholes	\$2.8 MM	Result calculated by Black Scholes

Notes: Based on European call option on a non-dividend paying stock

Value and Benefits

	E&P	Investor
Value	<ul style="list-style-type: none"> • Expose value • Market pricing • Valuation premium for D&C execution and ESG performance 	<ul style="list-style-type: none"> • Well level return vs exposure to E&Ps • Investors can build a diversified portfolio of standardized, rated shares in acreage • No due diligence required; Ryder Scott and SLUE do it all
Uses	<ul style="list-style-type: none"> • On-demand monetizations • Liquid currency • Tool for managing volatility in OBO capex 	<ul style="list-style-type: none"> • Diversification compared to other investment alternatives, but still providing high returns • Significant Option Value through direct investment in acreage • Invest in ESG friendly assets through SLU ESG ratings

SLU Investors Profile

Generalist Investors



Target Investments



Exchange Trading Firms

- (Ontario teachers, Amundi, Adia, London Pension Partnerships)
- No sector/country/style expertise, no specialist asset manager
- Global asset allocation towards asset classes and exchanges diversification of risks
- No stock picking / no data rooms / no speculative transactions / no hedging / no bullying
- Only invest when PhD in physics/petroleum engineering/IT/proton NOT required to understand investments
- Most relevant criteria is expected Risk/Return

- Bulk are invested in S&P 500 index and Future Contracts, Bonds, Real Estate, PE and Hedge Funds

And

- Direct and Alternative Investments towards diversified portfolios of rated standardized instruments traded on an exchange



CME is the largest options and futures contracts exchange of any futures exchange interest rates, equities, currencies, and commodities.



ICE Intercontinental Exchange (ICE) operates 12 regulated exchanges and marketplaces



The SLU Marketplace is located in that alternative space, much larger than the combined equity of all US oil and Gas companies. It requires an asset, a rating and a contract.

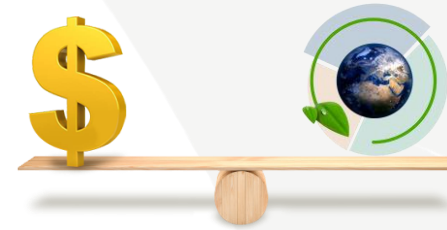
Today's Investor

Environmental activist

The recent  report was crystal clear:
We can still avoid the worst of the climate crisis if we **ACT NOW***

There is a global urgency driving a vast amount of effort into reaching Zero Net Carbon
Investors and Government climate risk reporting rules and policies are driving change

Investors need to transition to **carbon neutral portfolio** by 2030-2040 while maintaining risk adjusted returns



The challenge is to bridge the sustainable energy phase by doing the right investment

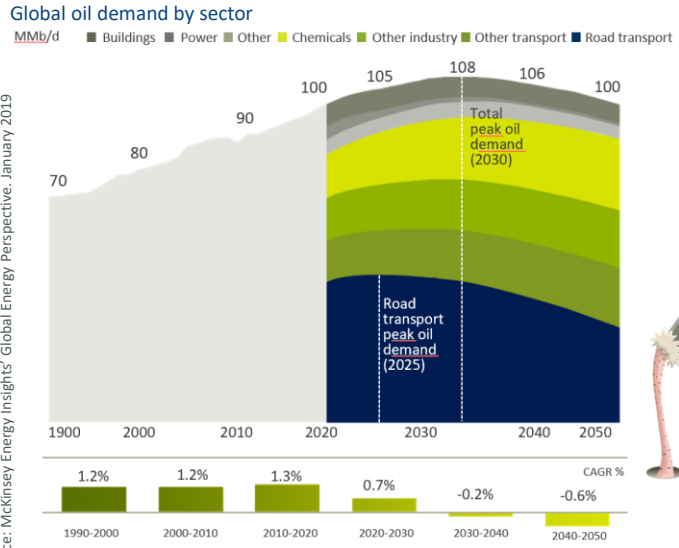


*Source: Intergovernmental Panel on Climate Change (IPCC) – Climate Change 2021, The Physical Science – Summary for Policymakers

Source: MJ Hudson Sustainability Assessment & Strategy July 2020 Report for TEO McKinsey & Co

Success Story: Responsible Oil

Hydrogen production technologies will be adapted from O&G cleanest technologies



We have proof

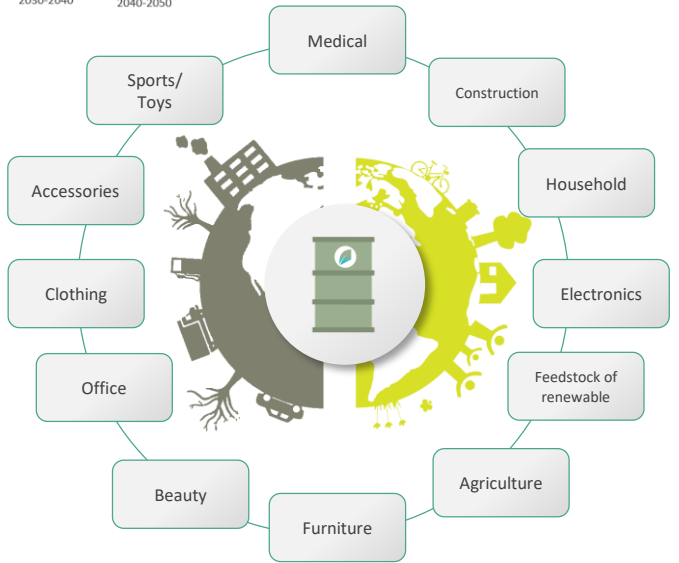


Technologies play the main role

Producing oil in the cleanest possible way is:

- Economical
- Efficient way to decarbonize
- Fast and measurable results in impact investing
- While maintaining risk adjusted returns

Responsible Oil will play a significant role in the global energy system for the next 30 years, and will continue to be used by multiple industries



Leveraging unique field proven expertise



Responsible Oil & Gas

↓ Less toxic chemical usage

↓ Less freshwater usage

↓ Less CO₂ & CH₄



New Clean Techs plus Zero flaring. Zero Venting Policy

Source: MJ Hudson Sustainability Assessment & Strategy July 2020 Report for TEO McKinsey & Co

Roads to a Better World are not Straight

How to move into climate change investing – Risk mitigation, opportunity realization, Revising mandates, Establishing partnerships



• A Marketplace for a new asset class: Standardized and Rated Permian Land developed by world class operators, called Super Locations.



• A new way to produce Hydrogen, directly from underground in partnership with a world energy giant

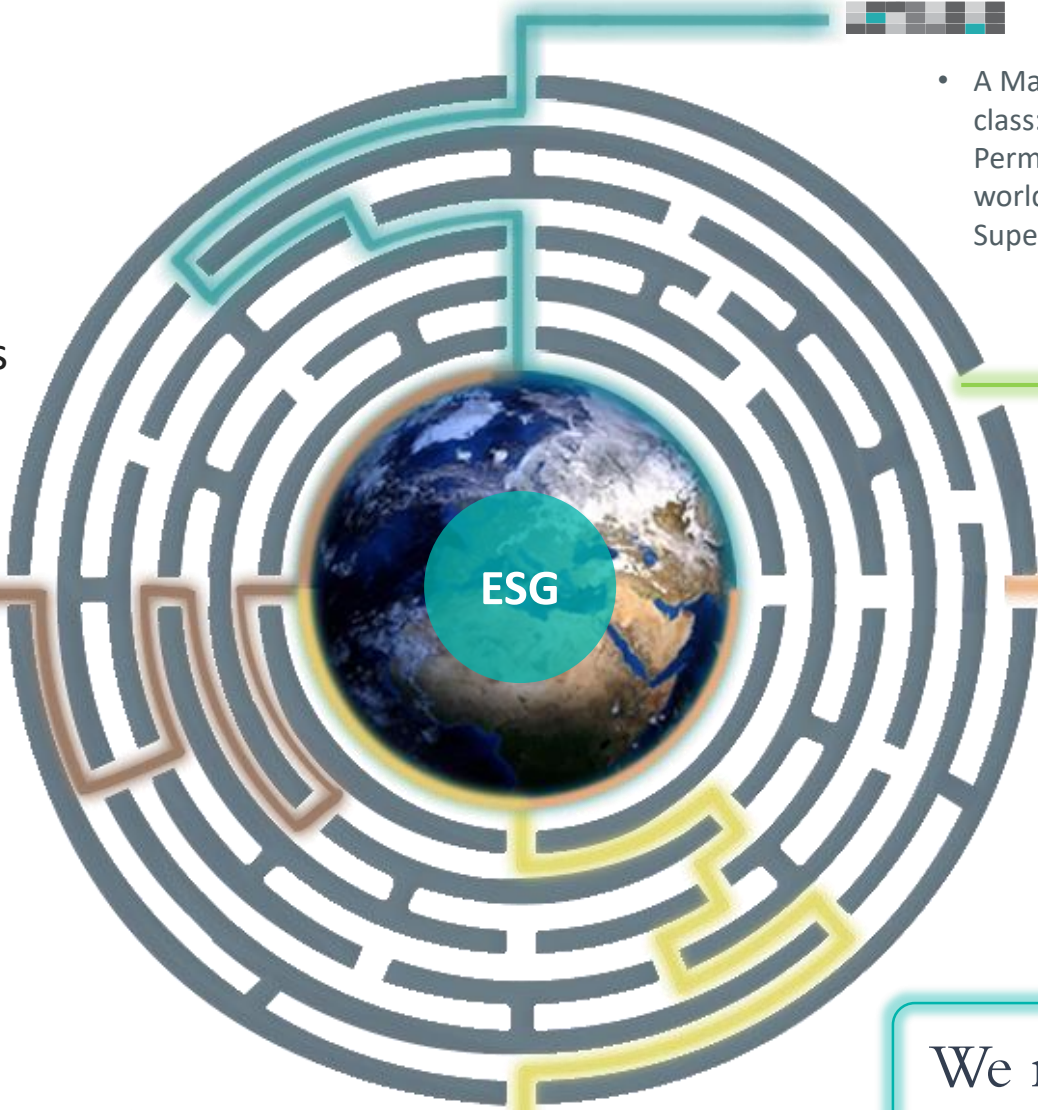


The White Natural Hydrogen operating arm of Beam adapts disruptive clean technologies to provide economical and clean solutions for production



• A new UK investment vehicle focused on Clean Energy Transition: Clean Oil and White Hydrogen

• TEO is a disruptive techs Operator promoting high ESG standards in its Oil and Gas fields. TEO was rated by MJ Hudson as Clean Oil – almost as clean as Renewables.

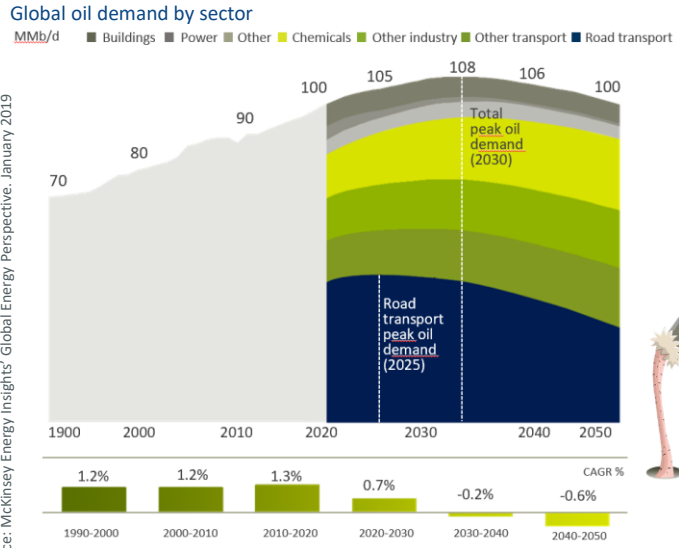


We make ESG happen



Success Story: Responsible Oil

Hydrogen production technologies will be adapted from O&G cleanest technologies



We have proof

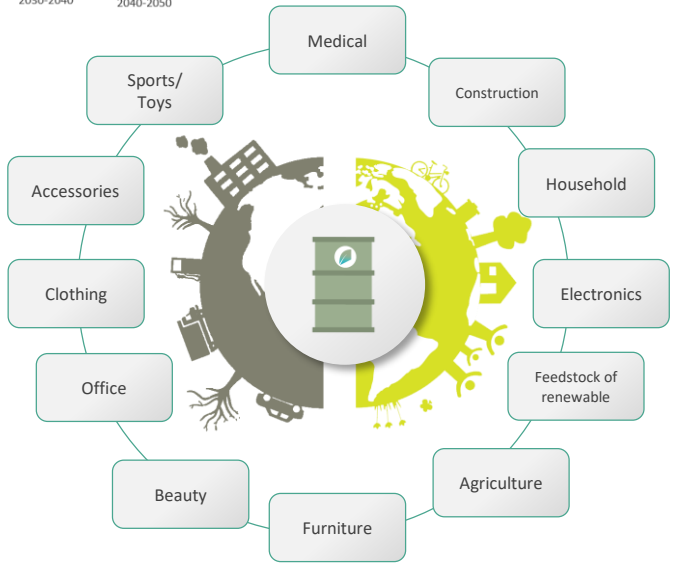


Technologies play the main role

Producing oil in the cleanest possible way is:

- Economical
- Efficient way to decarbonize
- Fast and measurable results in impact investing
- While maintaining risk adjusted returns

Responsible Oil will play a significant role in the global energy system for the next 30 years, and will continue to be used by multiple industries



Leveraging unique field proven expertise

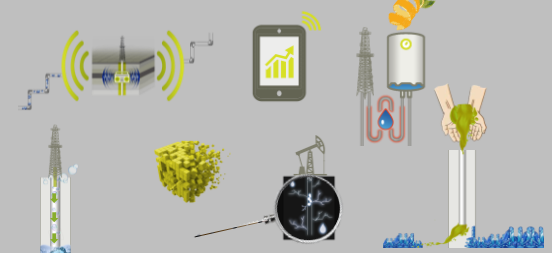


Responsible Oil & Gas

↓ Less toxic chemical usage

↓ Less freshwater usage

↓ Less CO₂ & CH₄



New Clean Techs plus Zero flaring. Zero Venting Policy

Source: MJ Hudson Sustainability Assessment & Strategy July 2020 Report for TEO McKinsey & Co



Aida International

Investment Governance & Client Servicing Specialists

WEBINAR

Climate Change Investing







How should we invest in our planet?



KEYNOTE SPEAKER
Stéphane Lamoine
CEO Beam Earth Inc.



SLU is Superior to the Alternatives

Criteria		SLU	E&P stock	PE Fund
Liquidity		●	●	●
Expected Return		●	●	●
Mgmt. fees or Corporate Costs		●	●	●
Time building Value		●	●	●
ESG		●	●	●
Diversification		●	●	●

Why Investors are Thrilled



Cash Flow/Real
Money Investors

- \$150 billion+ diversified investment opportunity
- Electronic liquidity with no paperwork and courthouse
- Transparency, Healthy Governance



Commodity
Investors / Traders

- Long-term bets on oil and gas prices with zero storage costs
- SLU Index Future Contracts



ESG Investors

- ESG Rating: No flaring, no venting, no toxic chemicals, water neutrality
- SLU becomes investable O&G for most ESG investors



Debt Investors

- Time Value of future tranches builds large collateral
- Large, high quality, predictable resource base
- SLE-level non-recourse and non-consolidated

Read Across: How Markets Think

Read

- Three Super Locations 2027 trading at \$120,000 per acre
- A 40% Premium for an ESG rated Super Location
- Best in class Operational Performance
- 25% Premium for SL 2028 vs SL 2022



Across

- Value of the whole inventory
- E&P has the know-how and dedication towards ESG
- E&P will become a predator for less performant E&Ps. (The end of social M&A)
- Heaviness of BS becomes an asset

SLU Scale and Milestones

	Phase 1	Phase 2	Phase 3	Full Potential
Scale (# of SL's)	<20	20-100	>100	1000
Physical Market Size, \$ Billion	<\$4	\$4 - \$20	>\$20	\$50 -\$100
Types of Investors: Equity ○ Debt △	○ Drillco players, Family Offices & small institutions with E&P experience △ none	○ Plus HNW; Sovereign; Commodity; Pension; Insurance △ CLO	○ Plus retail △ Bond portfolios	○ \$500Bn △ Financial market
SLU Index Publication	yes	yes	yes	yes
SLU Index Derivatives	no	no	yes	yes

Timing determined by pace of enrollment of substantial operators



Realize Your True Value
www.slenterprise.com

801 Travis Street
Suite 1818
Houston, TX 7702
+1-832-209-8240
info@slenterprise.com

Disclaimer

This document is presented at your request. If that is not the case it should be returned immediately to the sender.

This presentation (the "Presentation") is being issued by SLU Enterprise, an affiliate of the Beam Earth Group ("Beam"), for the sole purpose of providing preliminary explanatory information about activity, strategy and development projects of SLU Enterprise.

The information contained in this document is strictly confidential and has been provided to the recipient for informational purposes Only. Except with the prior written consent of Beam, the information may not be communicated, published or reproduced in whole or in part and the terms of this presentation may not be disclosed by its recipients to any person except to those of the corporate officers, employees, advisors and other representatives (the "representatives") of the recipient, to whom it is strictly necessary to disclose the information, provided in each case that such representatives are bound by a confidentiality obligation at least as restrictive as that set forth herein. If recipient so discloses any information contained in this presentation to its representatives, recipient shall be liable for any failure by such representative to comply with the terms of the disclaimer. Upon first request of Beam each recipient undertakes to return or destroy immediately, and to cause its representatives, to return or destroy immediately, all documents and other materials containing information, without retaining any copies thereof. By accepting delivery of this presentation, each recipient agrees to the foregoing conditions. Therefore, the information contained herein does not constitute (i) an offer to buy, (ii) the solicitation of any offer to buy any securities and/or derivatives, (iii) or an invitation to apply to participate in SLU Enterprise by any person in any jurisdiction. This document is available only to accredited investors as defined by the United States Securities and Exchange Commission, professional clients (as defined by the markets in financial instruments directive), or people otherwise legally permitted to receive marketing material relating to high-risk investment vehicles. If you do not satisfy these criteria or have otherwise received this document in error, please destroy it immediately and notify Beam at info@beam.earth.

All reasonable care has been taken to ensure that the facts stated herein are correctly and fairly presented with respect to all questions of importance. However, part of the information contained in this presentation has been obtained from published sources prepared by other parties. No responsibility is assumed for the accuracy or completeness of such information. This presentation has not been submitted for approval or review to any regulatory authority. Therefore, recipients must not rely on any information contained in this presentation but instead must rely on their own examination, conduct their own due diligence and/or consult their own professional advisors concerning the information set forth herein or the financial, legal, tax and other technical aspects of SLU Enterprise. No representation is made, or assurance given that the objectives of SLU Enterprise will be achieved. Recipients should note that the information in this presentation is subject to updating and amendment.

Any decision regarding SLU Enterprise may only be made on the basis of the information contained in the Beam documentation, which may be very different from the information contained in this presentation. Where any information is different between the presentation and the Beam documentation, the latter shall prevail. The recipients if this presentation may discuss with Beam or request clarification and further documentation by contacting: info@beam.earth.