

MERCER CAPITAL

Mineral Aggregator Valuation Multiples

With Market Data as of May 12, 2022



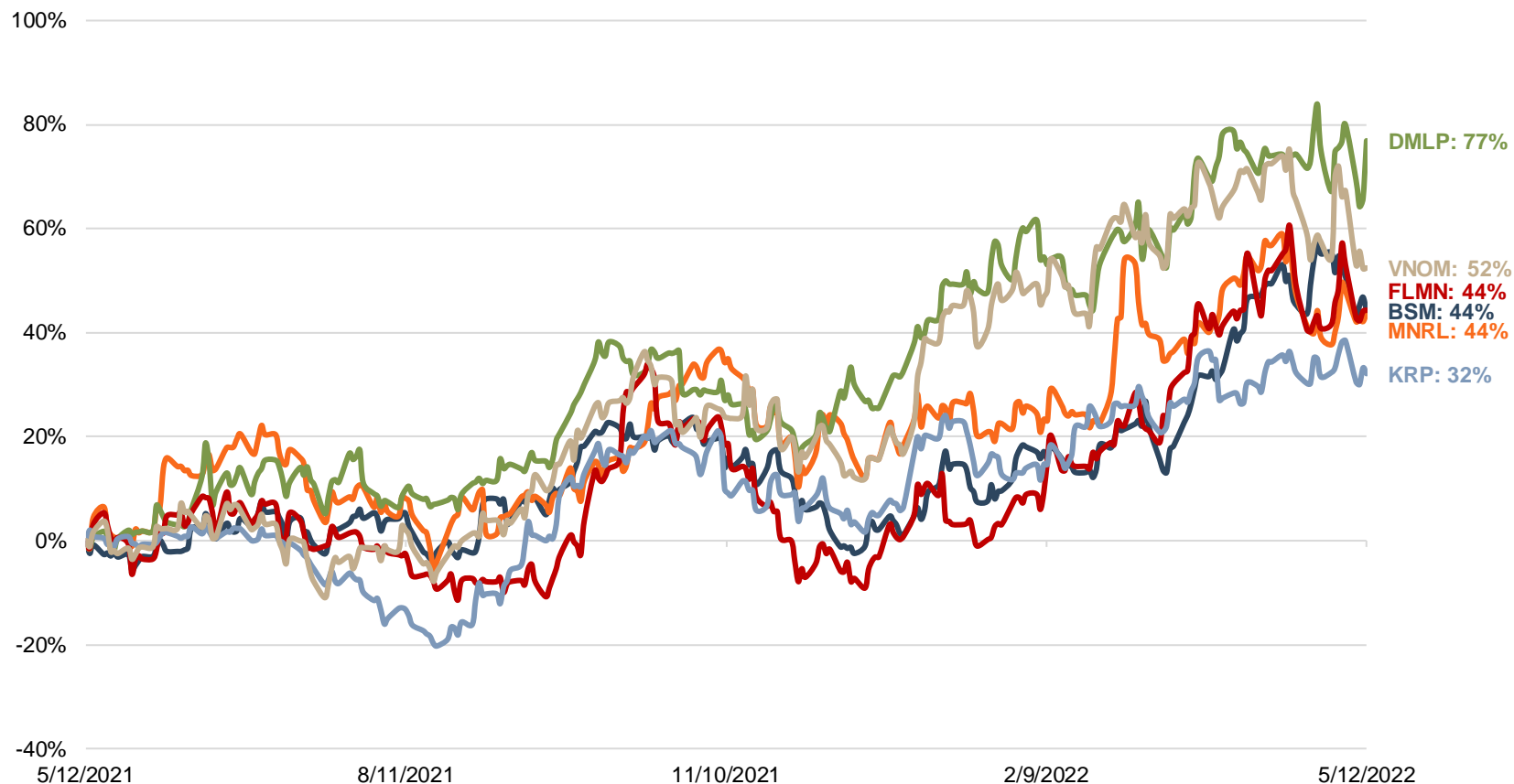
BUSINESS VALUATION &
FINANCIAL ADVISORY SERVICES

Mineral Aggregator Overview



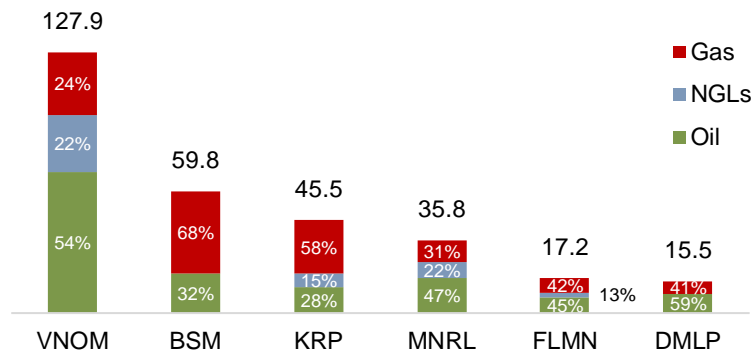
Ticker	BSM	MNRL	DMLP	FLMN	KRP	VNOM
Equity Market Capitalization (\$mm)	\$3,082.3	\$1,548.8	\$991.1	\$602.9	\$1,108.3	\$4,664.8
Enterprise Value (\$mm)	\$3,443.1	\$1,635.6	\$988.0	\$638.0	\$1,324.3	\$5,359.6
LTM EBITDA (\$mm)	\$331.3	\$165.9	\$101.6	\$56.4	\$137.8	\$475.8
Current Production (mboe/d)	32.9	12.0	7.9	4.1	14.4	31.6
Proved Reserves (mmboe)	59.8	35.8	15.5	17.2	45.5	127.9

1-Year Stock Price Performance

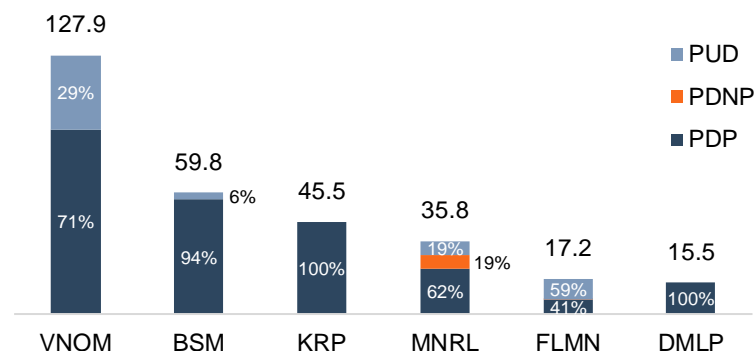


Reserve and Production Mix

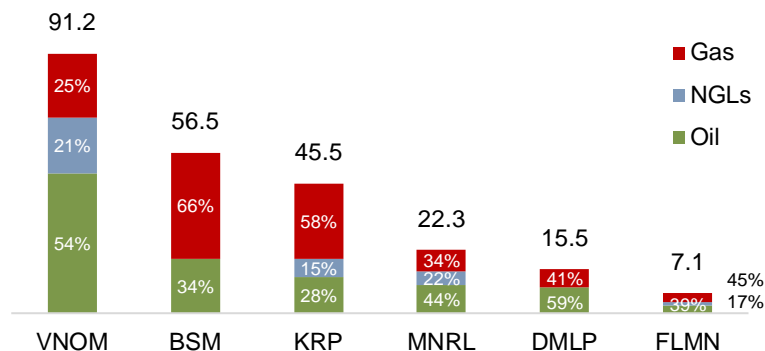
2021 Proved Reserves by Commodity (mmbob)



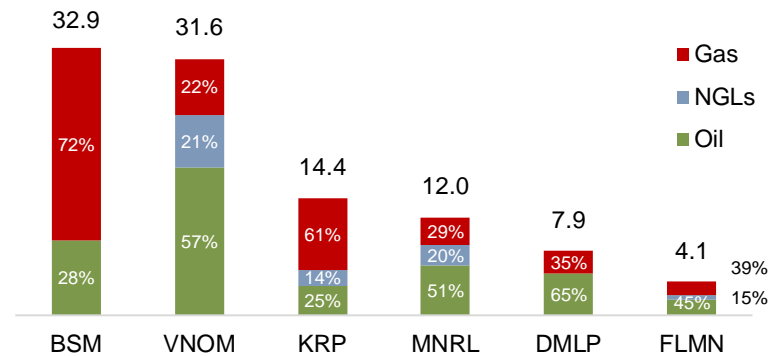
2021 Proved Reserves by Category (mmbob)



2021 PDP Reserves by Commodity (mmbob)



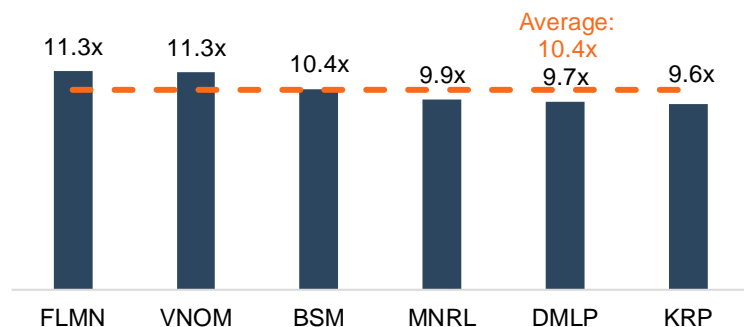
Current Production by Commodity (mboe/d)



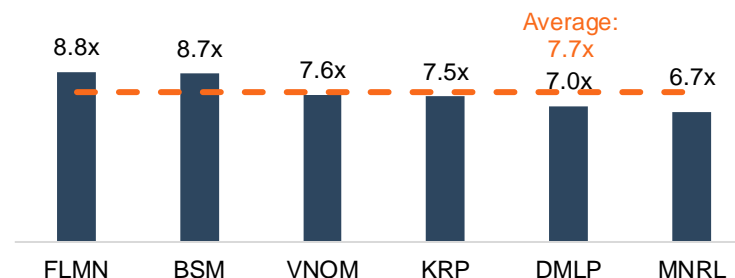
Valuation Multiples

EBITDA-Based Valuation Multiples

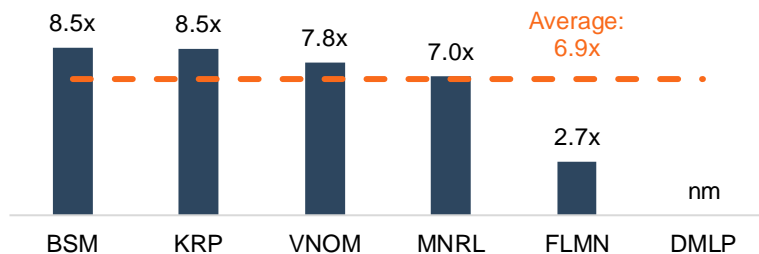
Enterprise Value / LTM EBITDA



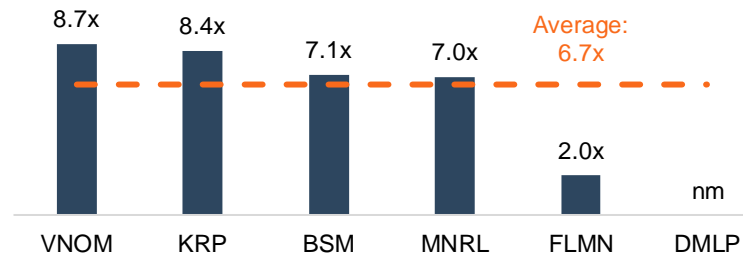
Enterprise Value / LQA EBITDA



Enterprise Value / 2022E EBITDA

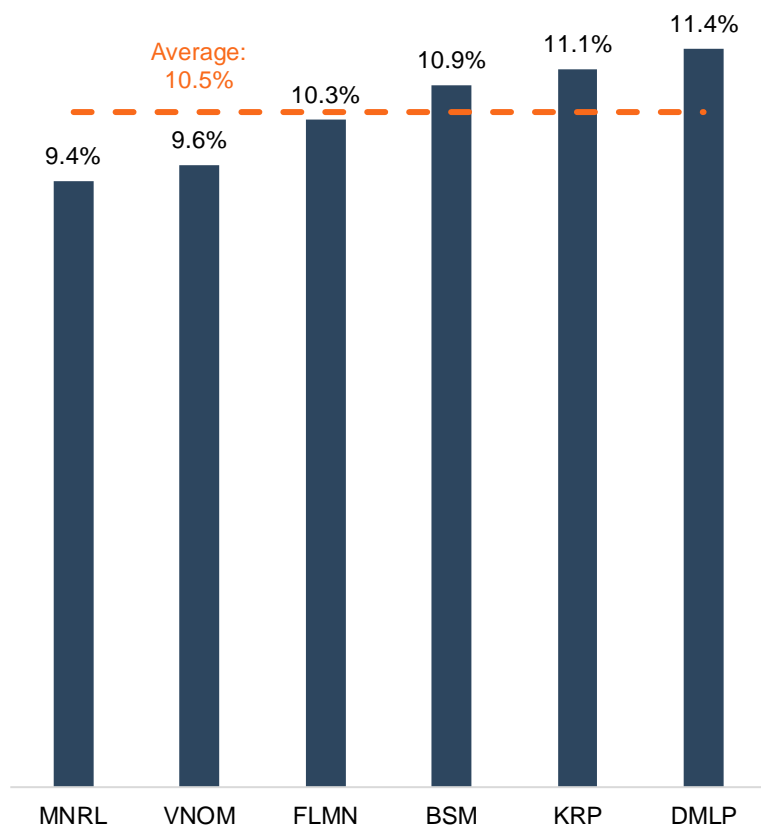


Enterprise Value / 2023E EBITDA

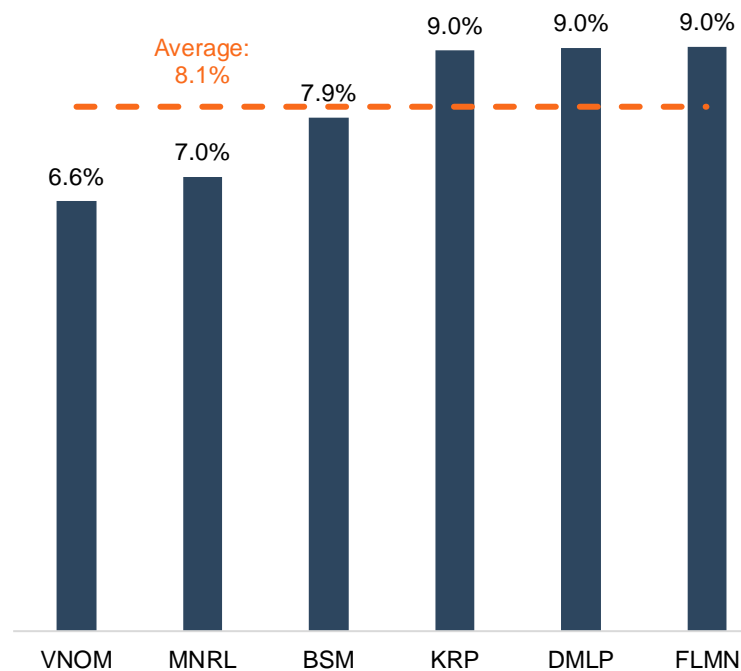


Dividend-Based Yields

Dividend Yield (Current Dividend)

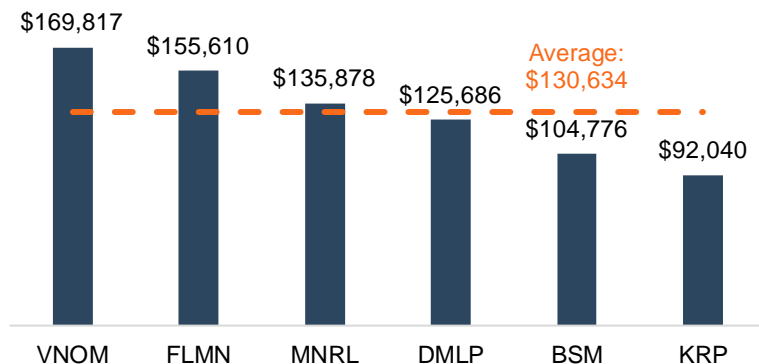


Dividend Yield (LTM Dividends)

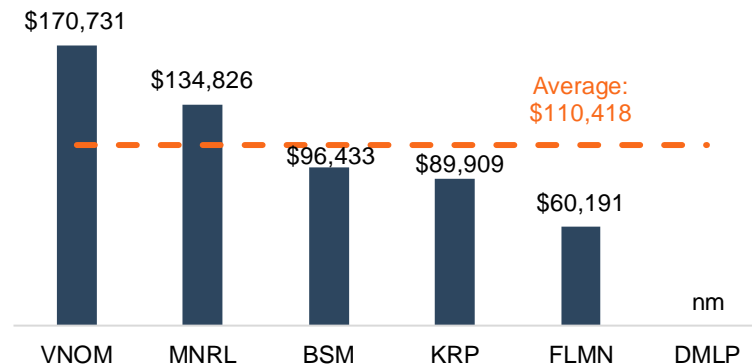


Production-Based Valuation Multiples

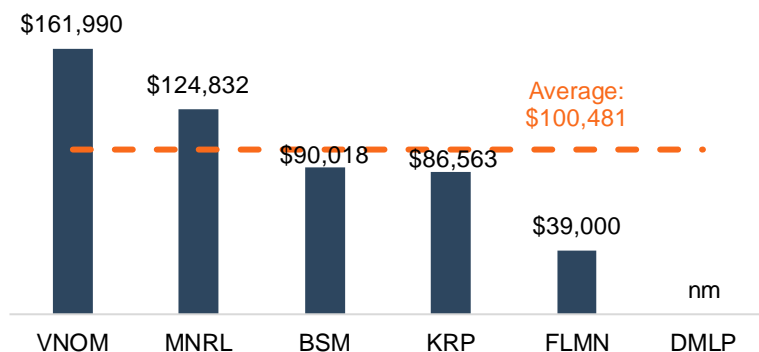
Enterprise Value / Current Production (\$/boe/d)



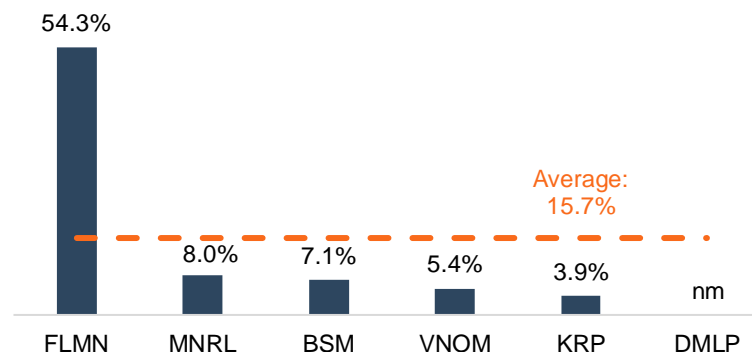
Enterprise Value / 2022E Production (\$/boe/d)



Enterprise Value / 2023E Production (\$/boe/d)

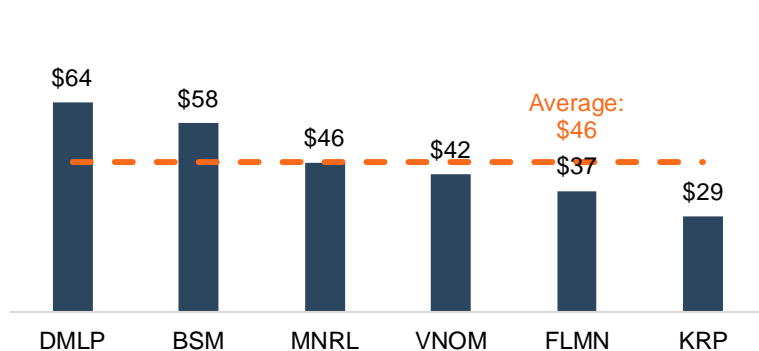


2022E - 23E Production Growth

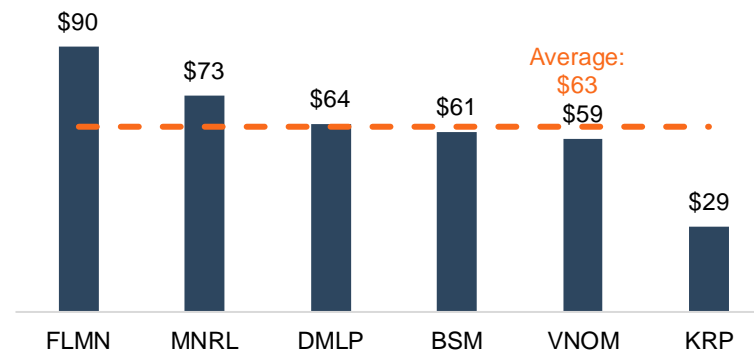


Reserve-Based Valuation Multiples

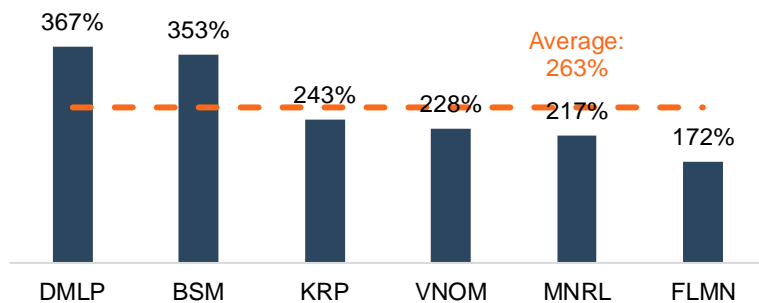
Enterprise Value / Proved Reserves (\$/boe)



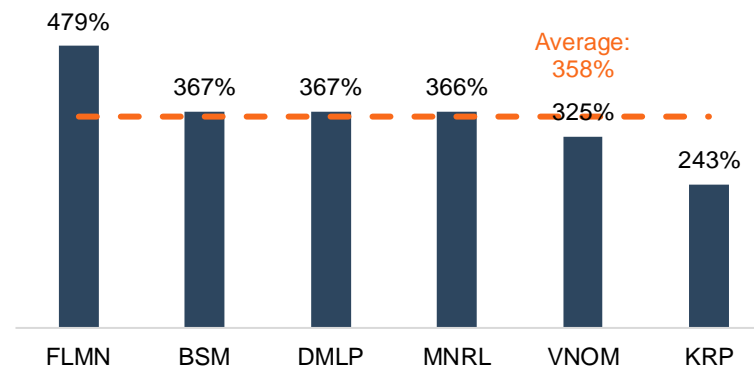
Enterprise Value / PDP Reserves (\$/boe)



Enterprise Value / Proved PV-10









Enterprise Value / PDP PV-10



Appendix

Mineral Aggregator Metrics and Multiples

\$ in mm, except per share values

	 BLACK STONE MINERALS	 BRIGHAM MINERALS	 Dorchester Minerals	 Falcon Minerals	 KIMBELL ROYALTY PARTNERS	 VIPER Energy Partners	Valuation Multiples		Notes						
								Average	Median						
Derivation of Enterprise Value															
Stock Price (5/12/2022)	\$14.72	\$25.59	\$26.39	\$6.97	\$16.91	\$27.82									
Shares Outstanding	209.4	60.5	37.6	86.5	65.5	167.7				(1)					
Equity Market Capitalization	3,082.3	1,548.8	991.1	602.9	1,108.3	4,664.8									
+ Preferred Stock	298.4	0.0	0.0	0.0	0.0	0.0				(2)					
+ Interest-Bearing Debt	69.0	93.0	0.0	38.0	226.5	727.9									
- Cash & Cash Equivalents	(6.7)	(6.2)	(33.0)	(2.9)	(10.6)	(33.1)									
+/- Other	0.0	0.0	29.9	0.0	0.0	0.0				(3)					
Enterprise Value	\$3,443.1	\$1,635.6	\$988.0	\$638.0	\$1,324.3	\$5,359.6									
EBITDA															
	<u>Metric</u>	<u>Multiple</u>	<u>Metric</u>	<u>Multiple</u>	<u>Metric</u>	<u>Multiple</u>	<u>Metric</u>	<u>Multiple</u>	<u>Metric</u>	<u>Multiple</u>					
Last Twelve Months (LTM) EBITDA	\$331.3	10.4x	\$165.9	9.9x	\$101.6	9.7x	\$56.4	11.3x	\$137.8	9.6x	\$475.8	11.3x	10.4x	10.1x	(4)
Last Quarter Annualized (LQA) EBITDA	395.0	8.7	242.7	6.7	140.4	7.0	72.4	8.8	175.7	7.5	704.4	7.6	7.7	7.6	(4)
2022E EBITDA	404.1	8.5	232.1	7.0	na	nm	232.3	2.7	156.5	8.5	689.3	7.8	6.9	7.8	(5),(6)
2023E EBITDA	481.6	7.1	232.7	7.0	na	nm	315.1	2.0	158.2	8.4	615.2	8.7	6.7	7.1	(5),(6)
Dividend Yields															
Last Twelve Months (LTM) Dividends	\$1.17	7.9%	\$1.80	7.0%	\$2.38	9.0%	\$0.63	9.0%	\$1.52	9.0%	\$1.85	6.6%	8.1%	8.5%	
Current Dividend (Annualized)	1.60	10.9%	2.40	9.4%	3.02	11.4%	0.72	10.3%	1.88	11.1%	2.68	9.6%	10.5%	10.6%	
Production (mboe/d)															
Current Production	32.9	\$104,776	12.0	\$135,878	7.9	\$125,686	4.1	\$155,610	14.4	\$92,040	31.6	\$169,817	\$130,634	\$130,782	(7)
2022E Production	35.7	96,433	12.1	134,826	na	nm	10.6	60,191	14.7	89,909	31.4	170,731	110,418	96,433	(6),(7)
2023E Production	38.2	90,018	13.1	124,832	na	nm	16.4	39,000	15.3	86,563	33.1	161,990	100,481	90,018	(6),(7)
Reserves															
Proved Reserves (mmboe)	59.8	\$57.55	35.8	\$45.68	15.5	\$63.78	17.2	\$37.00	45.5	\$29.12	127.9	\$41.91	\$45.84	\$43.79	(8)
Proved Developed Producing Reserves (mmboe)	56.5	60.96	22.3	73.39	15.5	63.78	7.1	89.90	45.5	29.12	91.2	58.79	62.66	62.37	(8)
Proved PV-10	\$975.5	353%	\$754.8	217%	\$269.5	367%	\$371.9	172%	\$545.6	243%	\$2,347.2	228%	263%	236%	
Proved Developed Producing PV-10	938.8	367%	446.9	366%	269.5	367%	133.3	479%	545.6	243%	1,648.5	325%	358%	366%	

Notes

- (1) Includes non-traded shares.
- (2) BSM preferred stock included at carrying value.
- (3) DMLP value reflects calculated value of General Partners interest, based on most recent quarterly distribution and current dividend yield. For Up-C entities, non-controlling interest is not included as the associated value is captured by the inclusion of the non-traded shares in the shares outstanding.
- (4) Based on non-GAAP adjusted EBITDA as calculated by management.
- (5) Wall Street Research consensus estimates per Capital IQ.
- (6) Forward estimates for FLMN likely include anticipated contribution from the announced acquisition of Desert Peak Minerals. As such, comparisons should be made with caution.
- (7) Multiple calculated on a dollar per flowing barrel equivalent basis (\$/boe/d).
- (8) Multiple calculated on a dollar per barrel equivalent basis (\$/boe).

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