

MERCER CAPITAL

Mineral Aggregator Valuation Multiples

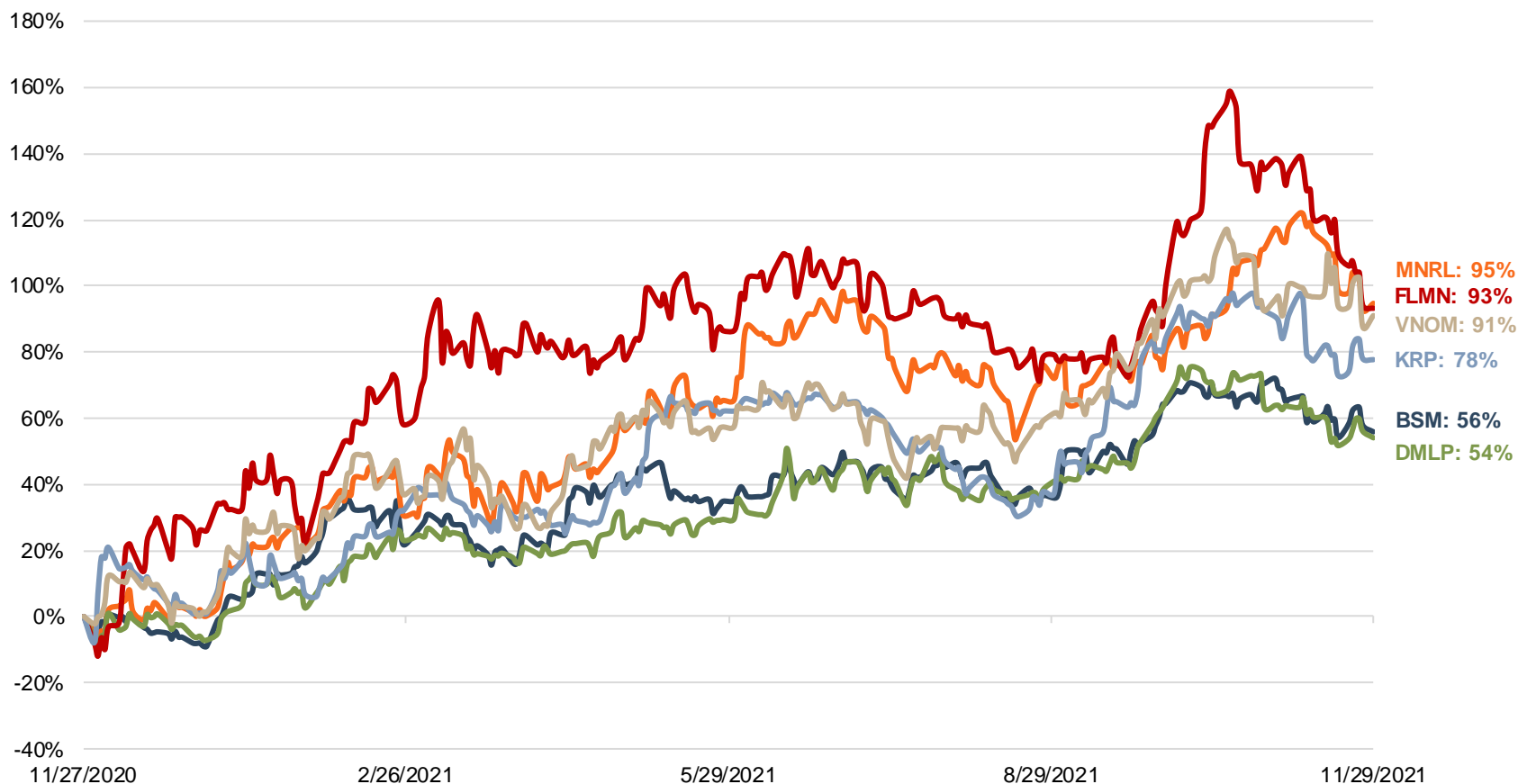
With Market Data as of November 29, 2021

Mineral Aggregator Overview



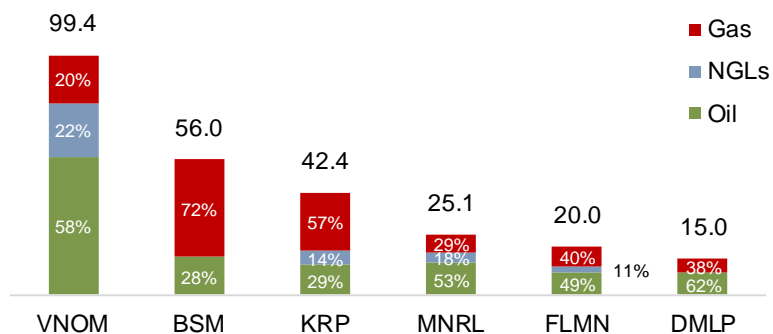
Ticker	BSM	MNRL	DMLP	FLMN	KRP	VNOM
Basin Focus	Diversified	Diversified	Diversified	Eagle Ford	Diversified	Permian
Equity Market Capitalization (\$mm)	\$2,387.1	\$1,213.0	\$640.8	\$417.2	\$843.2	\$3,717.6
Enterprise Value (\$mm)	\$2,781.2	\$1,251.7	\$640.0	\$450.1	\$1,048.2	\$4,248.0
LTM EBITDA (\$mm)	\$287.2	\$110.0	\$63.0	\$43.1	\$104.9	\$300.4
Current Production (mboe/d)	38.0	9.1	6.1	4.5	14.8	27.6
Proved Reserves (mmboe)	56.0	25.1	15.0	20.0	42.4	99.4

1-Year Stock Price Performance

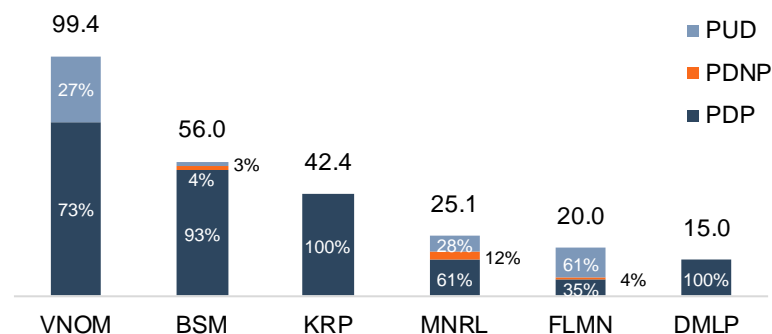


Reserve and Production Mix

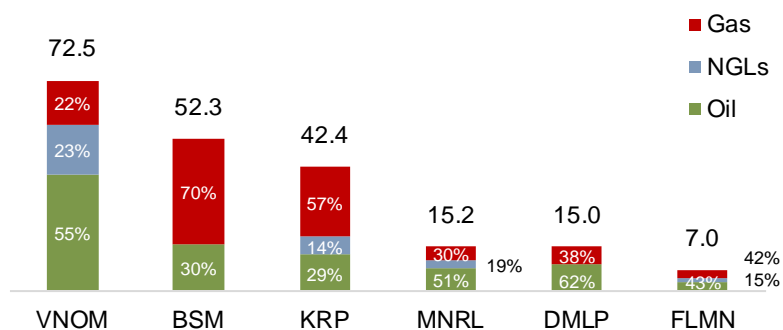
2020 Proved Reserves by Commodity (mmboe)



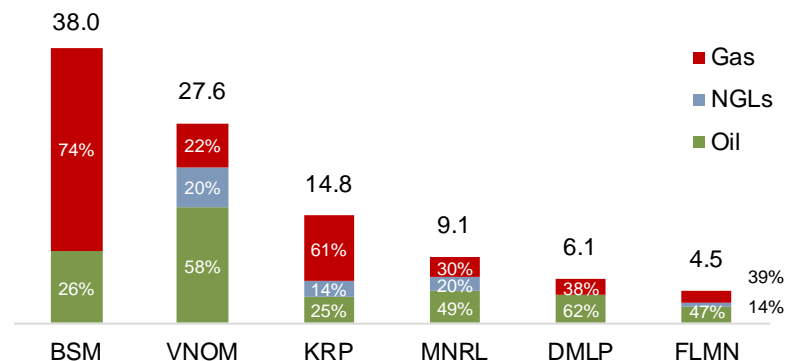
2020 Proved Reserves by Category (mmboe)



2020 PDP Reserves by Commodity (mmboe)



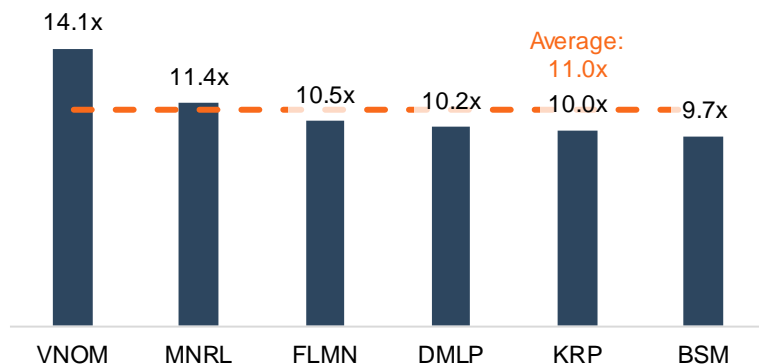
Current Production by Commodity (mboe/d)



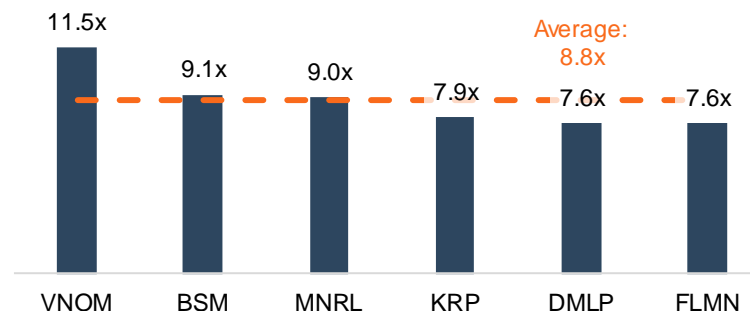
Valuation Multiples

EBITDA-Based Valuation Multiples

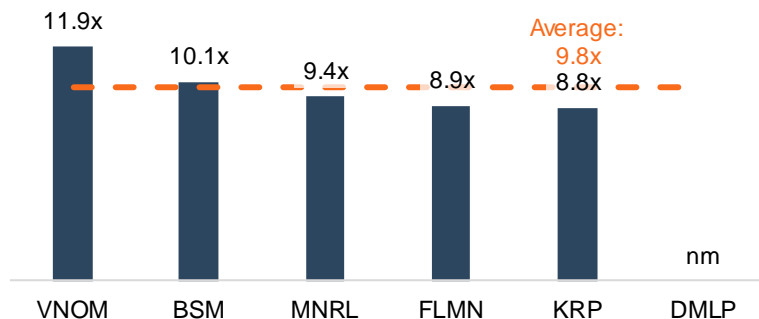
Enterprise Value / LTM EBITDA



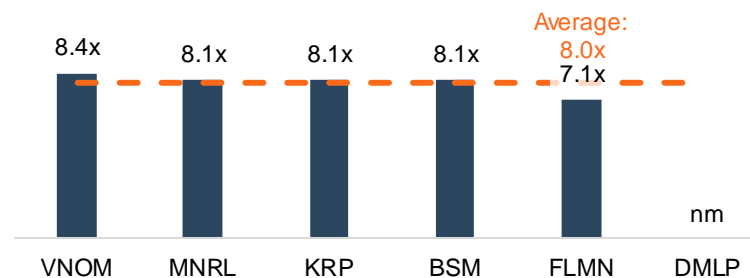
Enterprise Value / LQA EBITDA



Enterprise Value / 2021E EBITDA

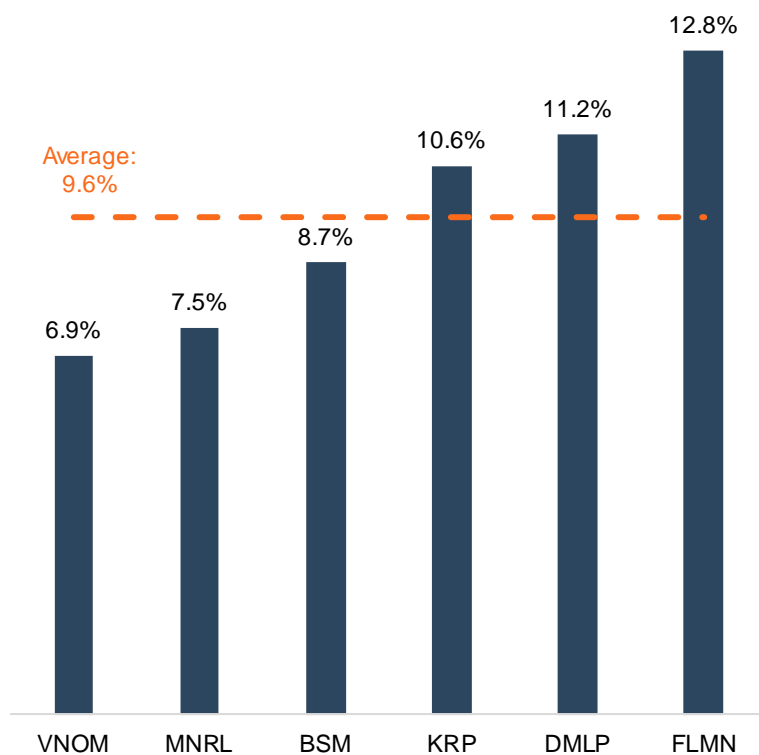


Enterprise Value / 2022E EBITDA

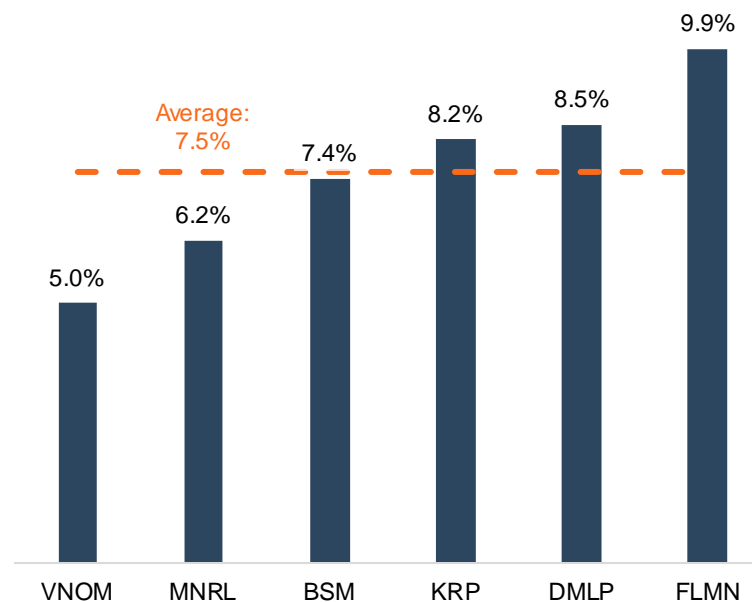


Dividend-Based Yields

Dividend Yield (Current Dividend)

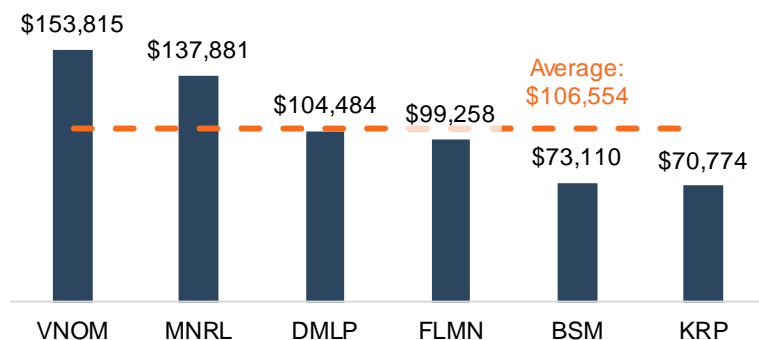


Dividend Yield (LTM Dividends)

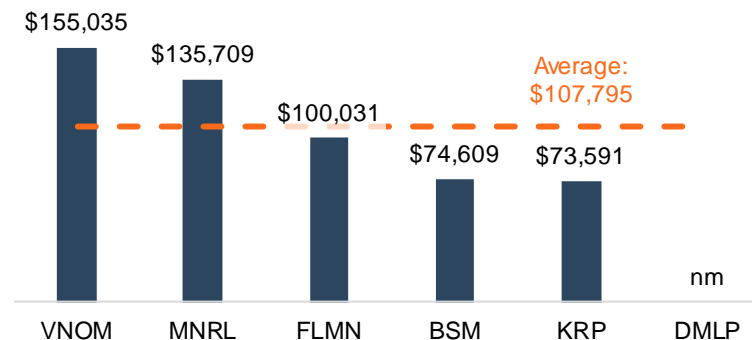


Production-Based Valuation Multiples

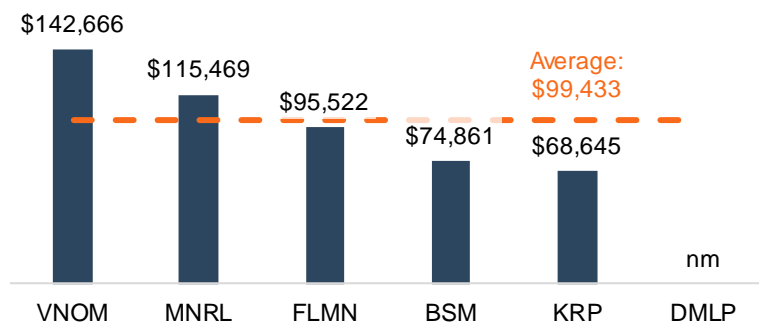
Enterprise Value / Current Production (\$/boe/d)



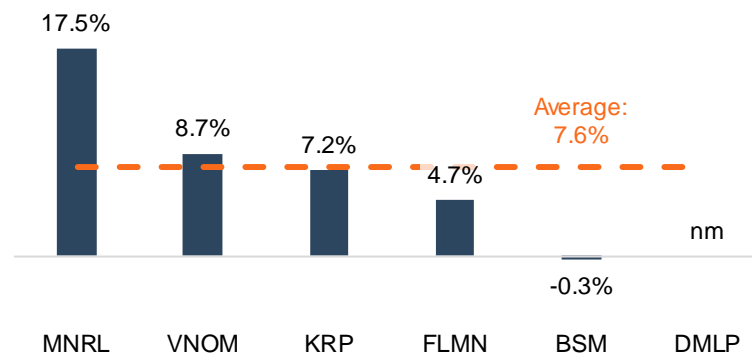
Enterprise Value / 2021E Production (\$/boe/d)



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

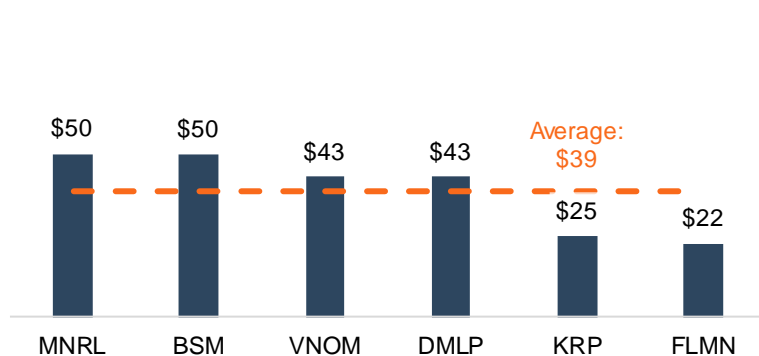


2021E - 22E Production Growth

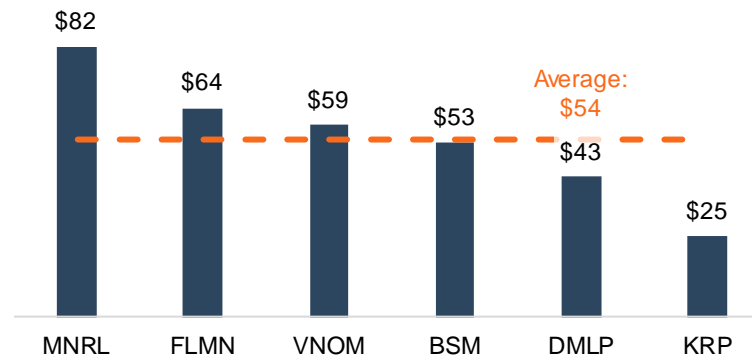


Reserve-Based Valuation Multiples

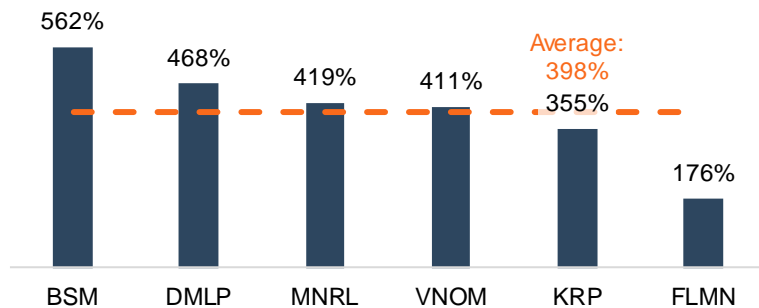
Enterprise Value / Proved Reserves (\$/boe)



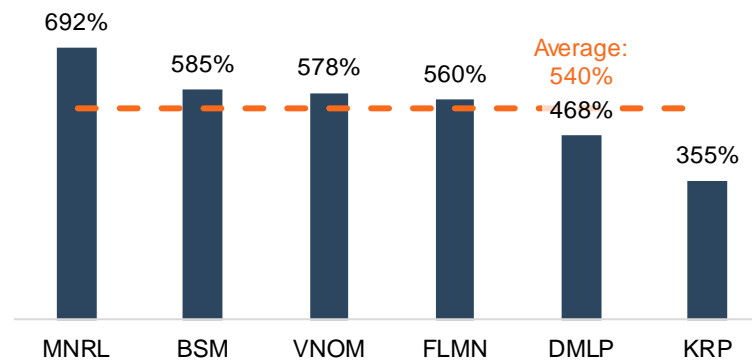
Enterprise Value / PDP Reserves (\$/boe)



Enterprise Value / Proved PV-10



Enterprise Value / PDP PV-10



Appendix

Mineral Aggregator Metrics and Multiples

\$ in mm, except per share values

Derivation of Enterprise Value	BLACK STONE MINERALS		BRIGHAM MINERALS		Dorchester Minerals		Falcon Minerals		KIMBELL ROYALTY PARTNERS		VIPER Energy Partners		Valuation Multiples		Notes
	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average	Median	
Stock Price (11/29/2021)	\$11.44	\$21.36	\$18.10	\$4.83	\$13.93	\$21.89									
Shares Outstanding	208.7	56.8	35.4	86.4	60.5	169.8									(1)
Equity Market Capitalization	2,387.1	1,213.0	640.8	417.2	843.2	3,717.6									
+ Preferred Stock	298.4	0.0	0.0	0.0	25.0	0.0									(2)
+ Interest-Bearing Debt	99.0	53.0	0.0	36.5	192.7	571.9									
- Cash & Cash Equivalents	(3.3)	(14.3)	(22.3)	(3.6)	(12.7)	(41.5)									
+/- Other	0.0	0.0	21.5	0.0	0.0	0.0									(3)
Enterprise Value	\$2,781.2	\$1,251.7	\$640.0	\$450.1	\$1,048.2	\$4,248.0									
EBITDA	Metric	Multiple	Metric	Multiple	Metric	Multiple	Metric	Multiple	Metric	Multiple	Metric	Multiple			
Last Twelve Months (LTM) EBITDA	\$287.2	9.7x	\$110.0	11.4x	\$63.0	10.2x	\$43.1	10.5x	\$104.9	10.0x	\$300.4	14.1x	11.0x	10.3x	(4)
Last Quarter Annualized (LQA) EBITDA	306.0	9.1	139.6	9.0	83.7	7.6	59.0	7.6	132.1	7.9	370.3	11.5	8.8	8.4	(4)
2021E EBITDA	274.5	10.1	133.6	9.4	na	nm	50.5	8.9	118.9	8.8	356.7	11.9	9.8	9.4	(5)
2022E EBITDA	345.0	8.1	154.5	8.1	na	nm	63.5	7.1	129.4	8.1	504.1	8.4	8.0	8.1	(5)
Dividend Yields															
Last Twelve Months (LTM) Dividends	\$0.85	7.4%	\$1.33	6.2%	\$1.53	8.5%	\$0.48	9.9%	\$1.14	8.2%	\$1.10	5.0%	7.5%	7.8%	
Current Dividend (Annualized)	1.00	8.7%	1.60	7.5%	2.03	11.2%	0.62	12.8%	1.48	10.6%	1.52	6.9%	9.6%	9.7%	
Production (mboe/d)															
Current Production	38.0	\$73,110	9.1	\$137,881	6.1	\$104,484	4.5	\$99,258	14.8	\$70,774	27.6	\$153,815	\$106,554	\$101,871	(6)
2021E Production	37.3	74,609	9.2	135,709	na	nm	4.5	100,031	14.2	73,591	27.4	155,035	107,795	100,031	(6)
2022E Production	37.2	74,861	10.8	115,469	na	nm	4.7	95,522	15.3	68,645	29.8	142,666	99,433	95,522	(6)
Reserves															
Proved Reserves (mmboe)	56.0	\$49.68	25.1	\$49.94	15.0	\$42.74	20.0	\$22.49	42.4	\$24.71	99.4	\$42.74	\$38.72	\$42.74	(7)
Proved Developed Producing Reserves (mmboe)	52.3	53.18	15.2	82.41	15.0	42.74	7.0	63.89	42.4	24.71	72.5	58.56	54.25	55.87	(7)
Proved PV-10	\$495.3	562%	\$298.8	419%	\$136.8	468%	\$255.5	176%	\$295.3	355%	\$1,034.5	411%	398%	415%	
Proved Developed Producing PV-10	475.1	585%	180.8	692%	136.8	468%	80.4	560%	295.3	355%	735.2	578%	540%	569%	

Notes

- (1) Includes non-traded shares.
- (2) BSM preferred stock included at carrying value. KRP preferred stock included at face 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) Multiple calculated on a dollar per flowing barrel equivalent basis (\$/boe/d).
- (7) Multiple calculated on a dollar per barrel equivalent basis (\$/boe).

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