

MERCER CAPITAL

Mineral Aggregator Valuation Multiples

With Market Data as of March 4, 2024



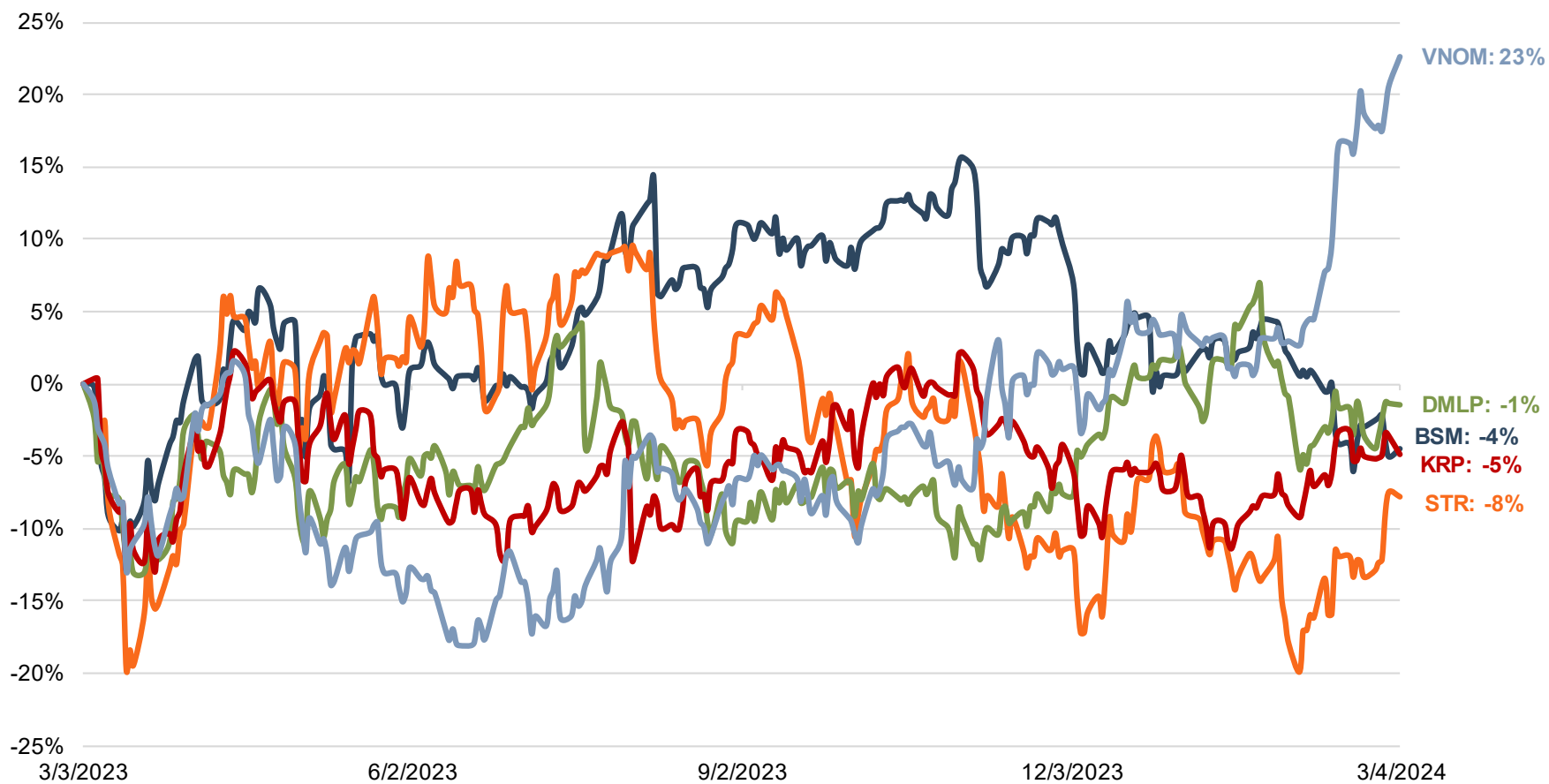
BUSINESS VALUATION &
FINANCIAL ADVISORY SERVICES

Mineral Aggregator Overview



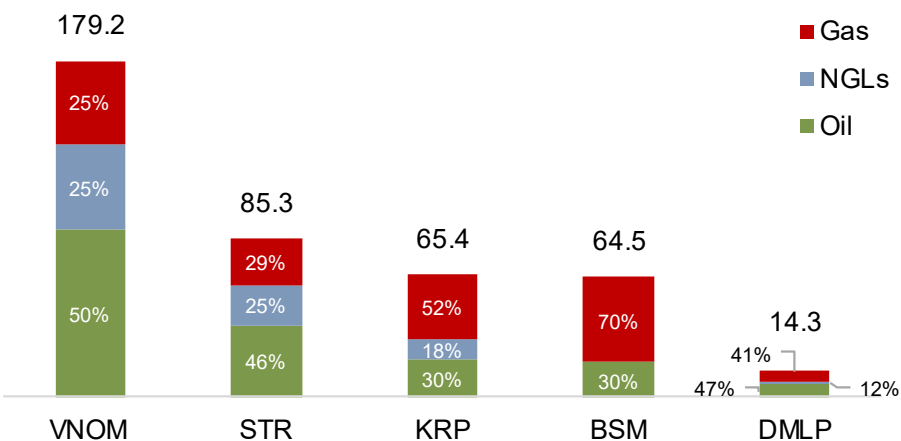
Ticker	BSM	STR	DMLP	KRP	VNOM
Equity Market Capitalization (\$mm)	\$3,188.4	\$3,629.5	\$1,221.1	\$1,463.1	\$6,582.5
Enterprise Value (\$mm)	\$3,417.2	\$4,479.6	\$1,211.1	\$2,040.7	\$7,639.7
LTM EBITDA (\$mm)	\$474.7	\$544.5	\$140.4	\$212.1	\$757.5
Current Production (mboe/d)	41.1	35.8	9.6	25.3	43.8
Proved Reserves (mmboe)	64.5	85.3	14.3	65.4	179.2

1-Year Stock Price Performance

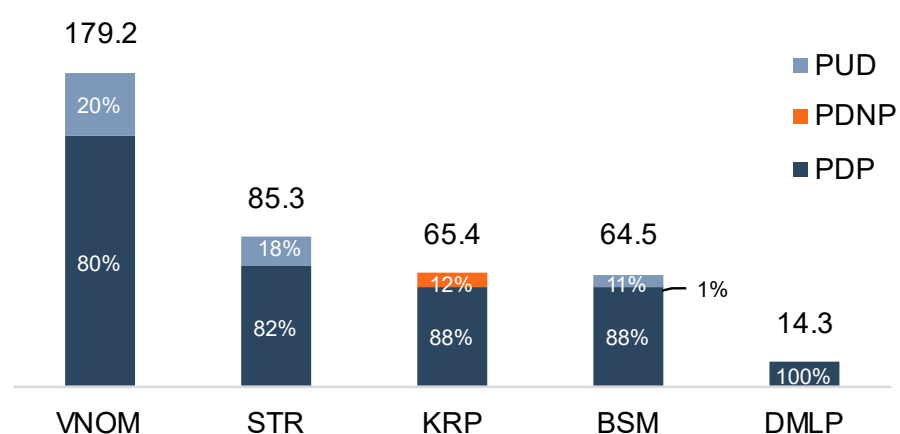


Reserve and Production Mix

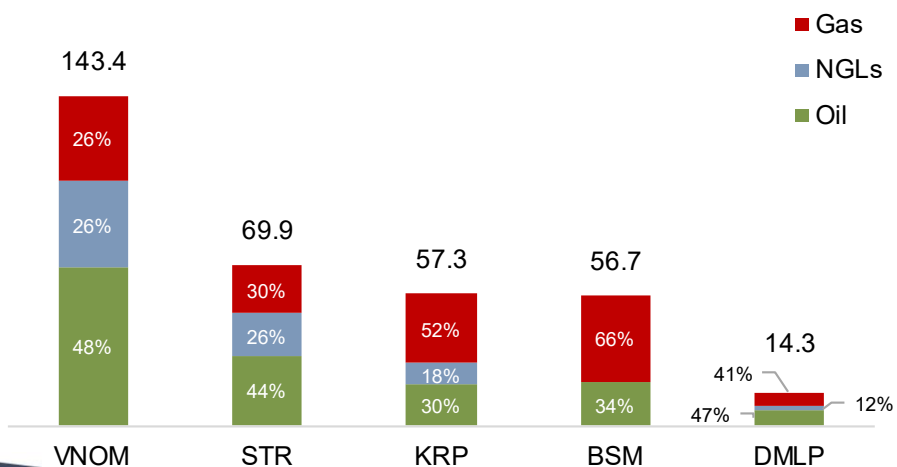
2023 Proved Reserves by Commodity (mmboe)



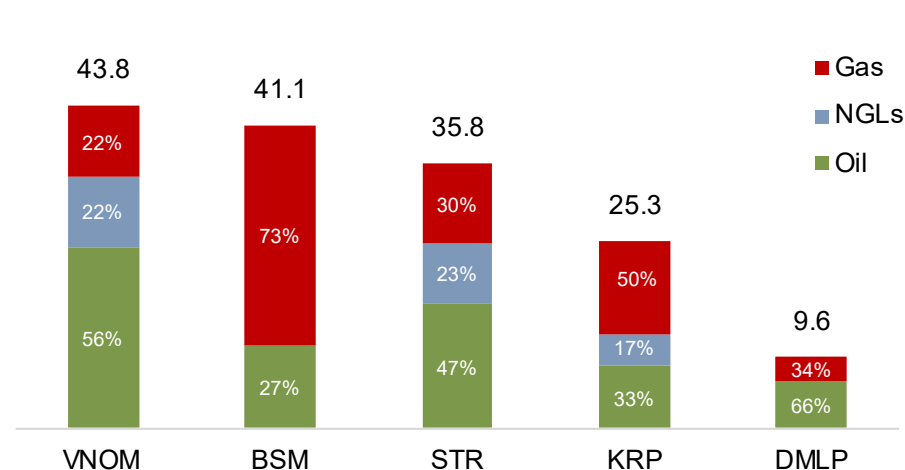
2023 Proved Reserves by Category (mmboe)



2023 PDP Reserves by Commodity (mmboe)



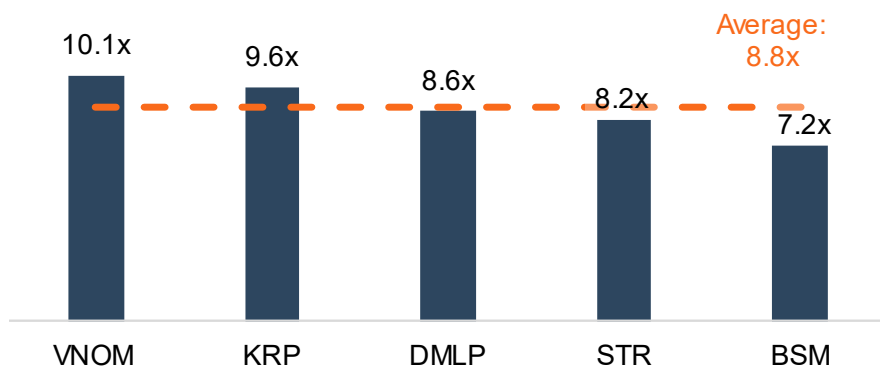
Current Production by Commodity (mboe/d)



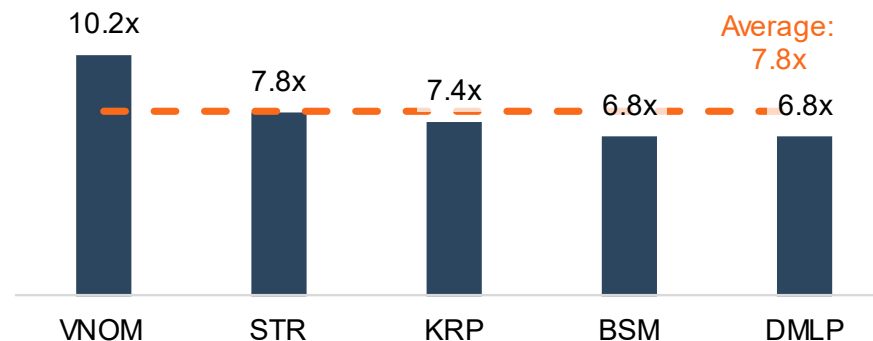
Valuation Multiples

EBITDA-Based Valuation Multiples

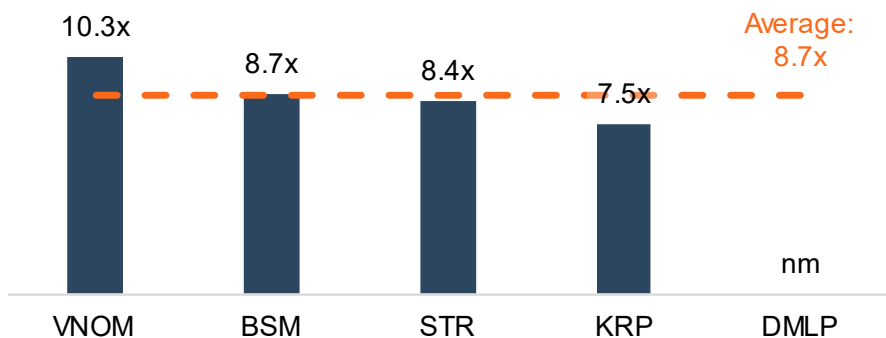
Enterprise Value / LTM EBITDA



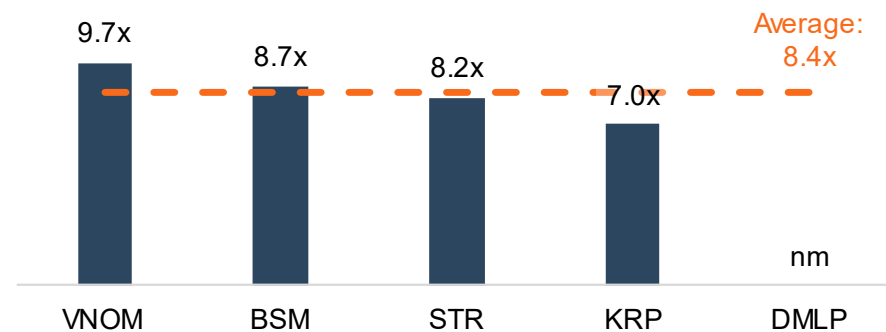
Enterprise Value / LQA EBITDA



Enterprise Value / 2024E EBITDA

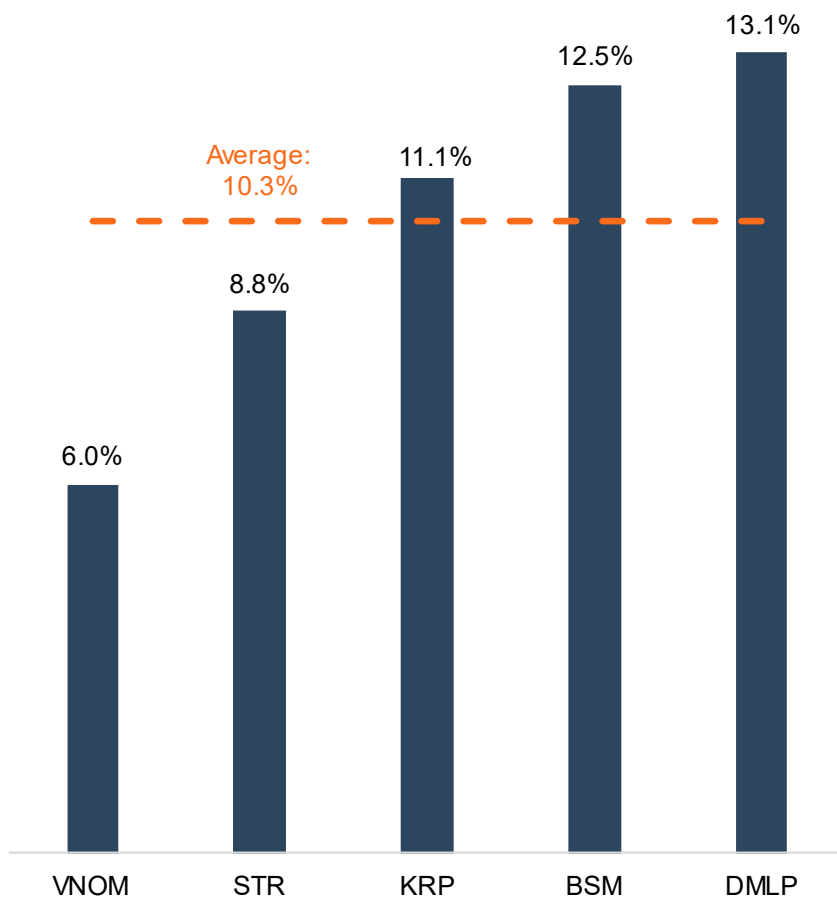


Enterprise Value / 2025E EBITDA

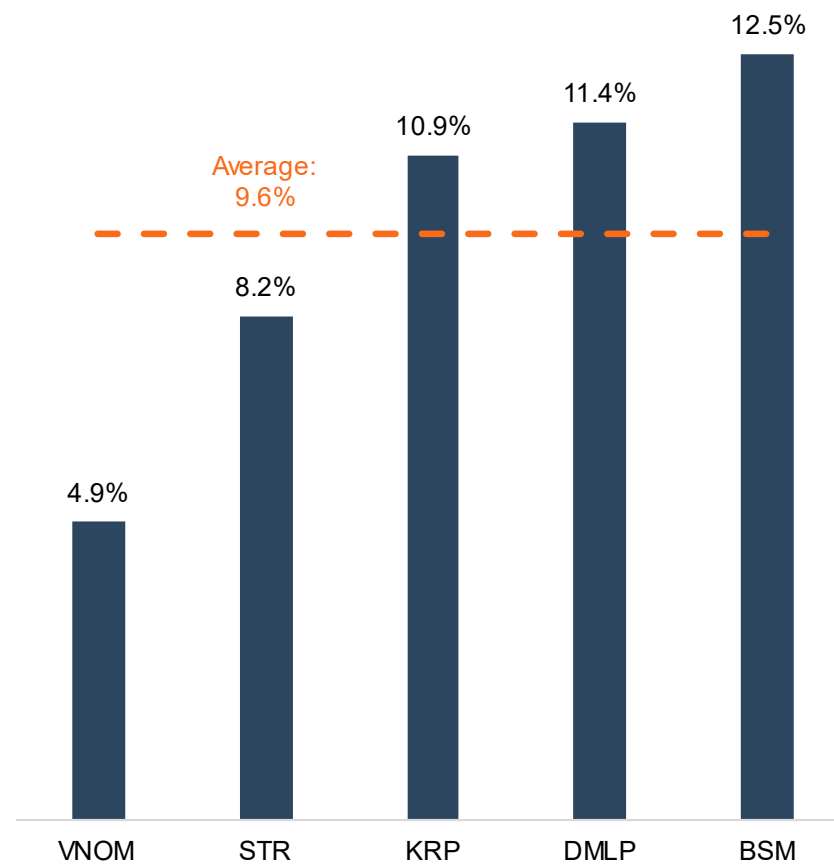


Dividend-Based Yields

Dividend Yield (Current Dividend)

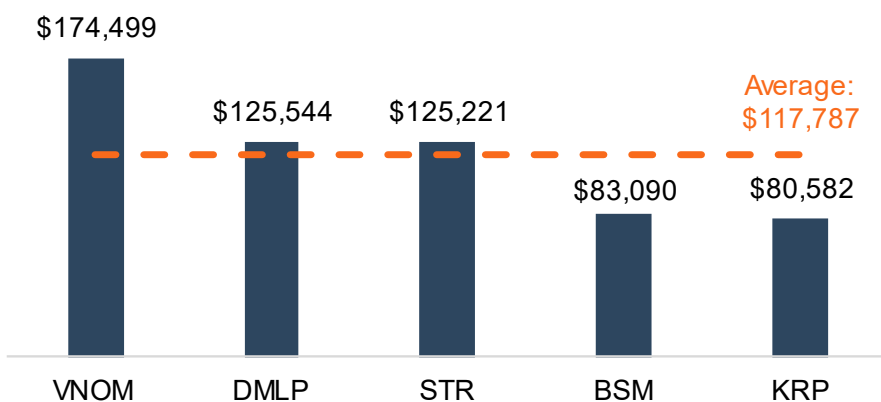


Dividend Yield (LTM Dividends)

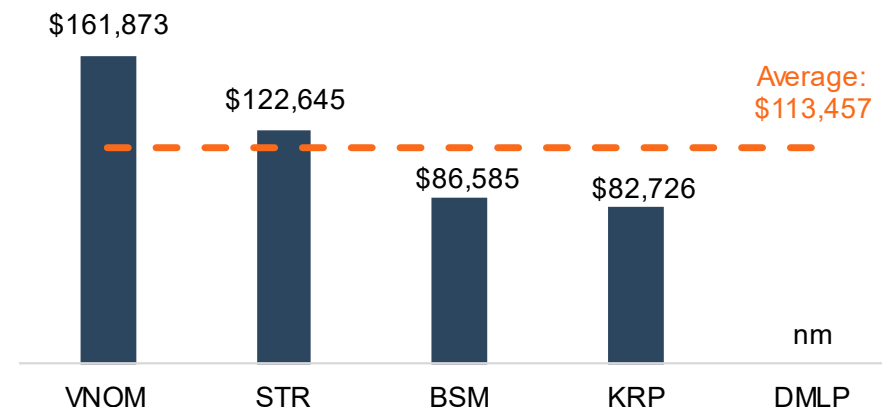


Production-Based Valuation Multiples

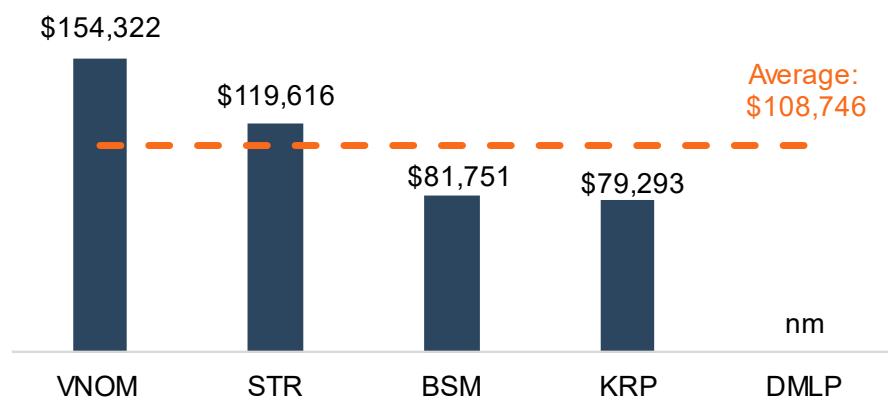
Enterprise Value / Current Production (\$/boe/d)



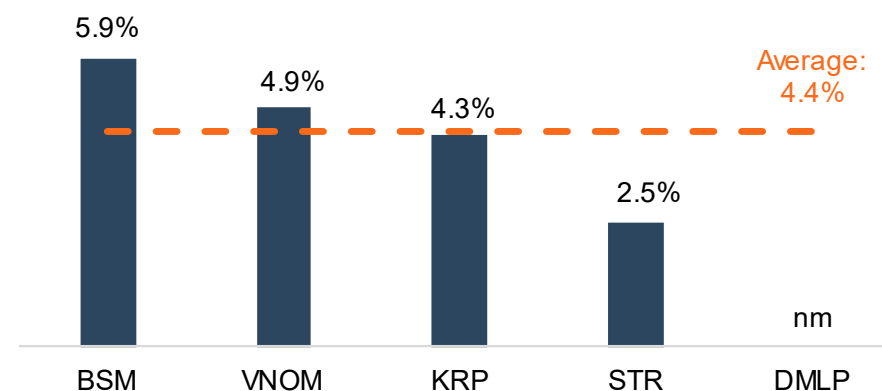
Enterprise Value / 2024E Production (\$/boe/d)



Enterprise Value / 2025E Production (\$/boe/d)

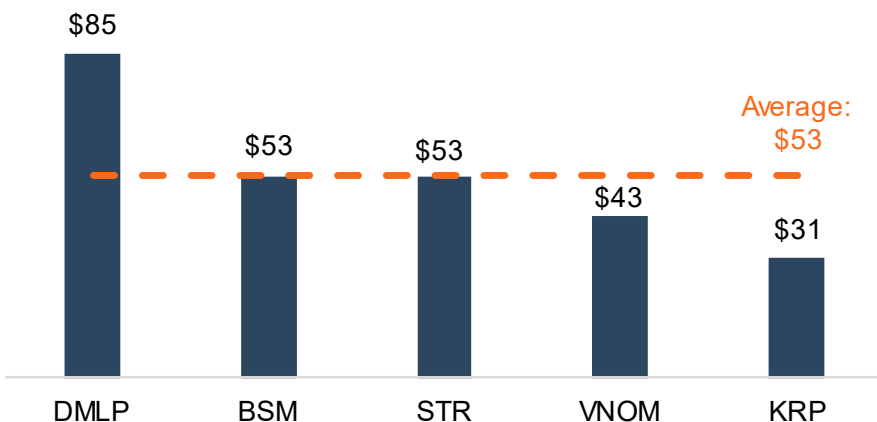


2024E - 25E Production Growth

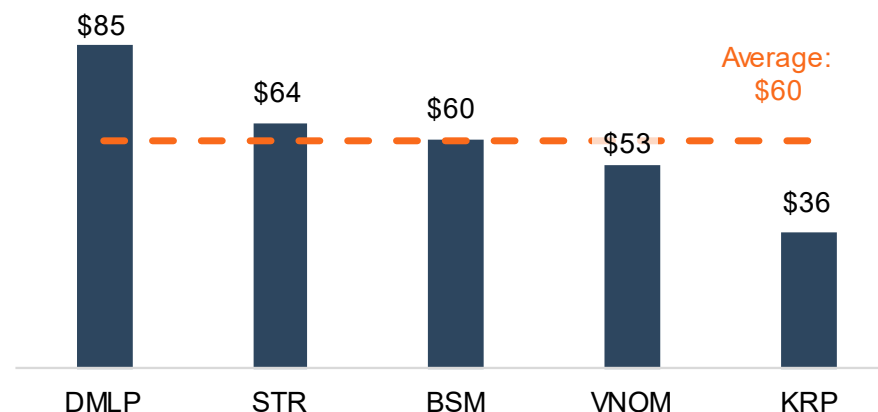


Reserve-Based Valuation Multiples

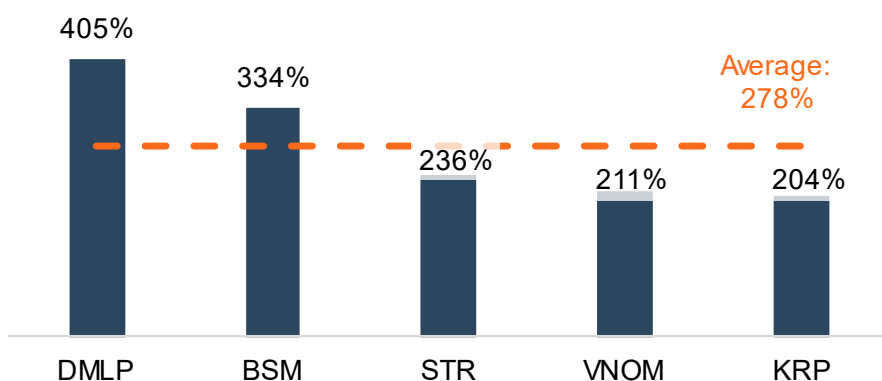
Enterprise Value / Proved Reserves (\$/boe)



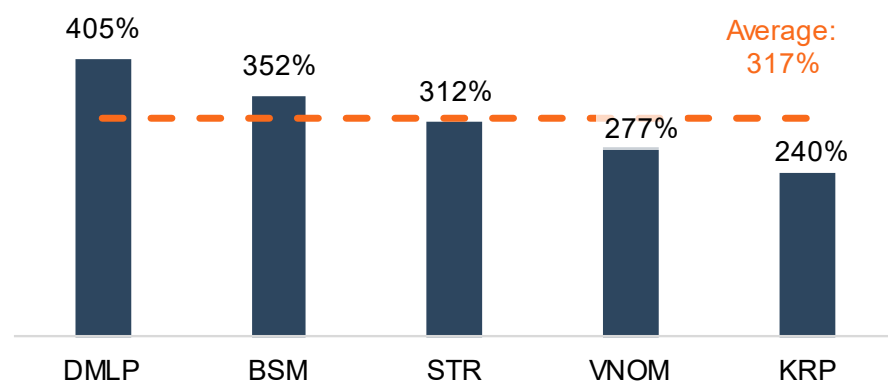
Enterprise Value / PDP Reserves (\$/boe)



Enterprise Value / Proved PV-10








Enterprise Value / PDP PV-10



Appendix

Mineral Aggregator Metrics and Multiples

\$ in mm, except per share values

	 BSM	 STR	 DMLP	 KRP	 VNOM	Valuation Multiples		Notes					
						Average	Median						
Derivation of Enterprise Value													
Stock Price (3/4/2024)	\$15.16	\$23.06	\$30.85	\$15.45	\$37.22								
Shares Outstanding	210.3	157.4	39.6	94.7	176.9			(1)					
Equity Market Capitalization	3,188.4	3,629.5	1,221.1	1,463.1	6,582.5								
+ Preferred Stock	299.1	0.0	0.0	314.4	0.0			(2)					
+ Interest-Bearing Debt	0.0	865.3	0.0	294.2	1,083.1								
- Cash & Cash Equivalents	(70.3)	(15.2)	(47.0)	(31.0)	(25.9)								
+/- Other	0.0	0.0	37.0	0.0	0.0			(3)					
Enterprise Value	\$3,417.2	\$4,479.6	\$1,211.1	\$2,040.7	\$7,639.7								
EBITDA													
	Metric	Multiple	Metric	Multiple	Metric	Multiple	Metric	Multiple					
Last Twelve Months (LTM) EBITDA	\$474.7	7.2x	\$544.5	8.2x	\$140.4	8.6x	\$212.1	9.6x	\$757.5	10.1x	8.8x	8.6x	(4)
Last Quarter Annualized (LQA) EBITDA	502.0	6.8	574.4	7.8	178.0	6.8	276.0	7.4	748.6	10.2	7.8	7.4	(4)
2024E EBITDA	392.0	8.7	532.0	8.4	na	nm	273.5	7.5	739.4	10.3	8.7	8.6	(5)
2025E EBITDA	391.7	8.7	546.0	8.2	na	nm	290.6	7.0	789.9	9.7	8.4	8.5	(5)
Dividend Yields													
Last Twelve Months (LTM) Dividends	\$1.90	12.5%	\$1.90	8.2%	\$3.52	11.4%	\$1.68	10.9%	\$1.82	4.9%	9.6%	10.9%	
Current Dividend (Annualized)	1.90	12.5%	2.04	8.8%	4.03	13.1%	1.72	11.1%	2.24	6.0%	10.3%	11.1%	
Production (mboe/d)													
Current Production	41.1	\$83,090	35.8	\$125,221	9.6	\$125,544	25.3	\$80,582	43.8	\$174,499	\$117,787	\$125,221	(6)
2024E Production	39.5	86,585	36.5	122,645	na	nm	24.7	82,726	47.2	161,873	113,457	104,615	(6)
2025E Production	41.8	81,751	37.5	119,616	na	nm	25.7	79,293	49.5	154,322	108,746	100,684	(6)
Reserves													
Proved Reserves (mmboe)	64.5	\$53.00	85.3	\$52.52	14.3	\$84.74	65.4	\$31.20	179.2	\$42.62	\$52.82	\$52.52	(7)
Proved Developed Producing Reserves (mmboe)	56.7	60.25	69.9	64.09	14.3	84.74	57.3	35.59	143.4	53.29	59.59	60.25	(7)
Proved PV-10	\$1,022.9	334%	\$1,895.5	236%	\$299.0	405%	\$998.9	204%	\$3,622.2	211%	278%	236%	
Proved Developed Producing PV-10	972.2	352%	1,435.2	312%	299.0	405%	852.0	240%	2,754.5	277%	317%	312%	

Notes

- (1) Includes non-traded shares.
- (2) BSM and KRP 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) 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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Oil and Gas Industry Resources

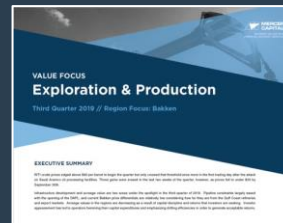
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