



Craig Jarchow, President & Chief Executive Officer

DUG | Gas+ Conference

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Company Overview

Tokyo Gas and CCI: Blue-chip, long-term, supportive investors of size



Overview

- **Tokyo Gas America Ltd. owns a majority stake in TGNR**
 - TGNR is Tokyo Gas' third investment in unconventional upstream assets in the United States and their first equity investment in an upstream company
- **Founded in 1885, Tokyo Gas Co., Ltd. is the largest gas utility company in Japan**
 - Supplies gas and power to 13 million customers in the greater Tokyo area
 - Imports 13 million tons of LNG annually (18% of Japan's LNG procurement)
- **Tokyo Gas America Ltd. was established in February 2013 and is a wholly-owned subsidiary of Tokyo Gas Co., Ltd.**
 - Focused on the development of upstream, midstream, downstream and renewable operations in North America



Overview

- CCI owns a minority stake in TGNR
- **Headquartered in the U.S., Castleton Commodities International (CCI) is a private global energy commodities trader and infrastructure asset investor**
- **CCI's integrated energy trading and asset investing platform has extensive capabilities to capture emerging opportunities globally across the energy commodity value chain**
- **CCI is consistently ranked among the top marketers of natural gas in North America, with a presence at all major hubs and extensive pipeline and storage capacity**
- **CCI is led by a management team with over 20 decades of collective experience and backed by a prominent investor group which includes Glenn Dubin and Paul Tudor Jones**
- **Formerly known as Louis Dreyfus Energy LLC, the company was renamed to CCI after it was acquired in 2012**

Neither Tokyo Gas nor CCI holds their investment in TGNR through a fund with a limited time horizon



Tokyo Gas built and still operates the first LNG facility in Asia

The first LNG cargoes into the Negishi terminal originated from the Cook Inlet, Alaska



Negishi LNG Terminal

Located in Tokyo

Operational in 1969

First LNG terminal in Japan and all of Asia



Kenai LNG Plant

Located in the Cook Inlet, Alaska

Operational in 1969

The only LNG export facility in the United States for over 40 years



TG Natural Resources has a seasoned, commercial and complete team

Name and Biography

Prior Experience

Craig Jarchow – President & Chief Executive Officer



- Former investing partner in private equity, with both Pine Brook Road Partners and First Reserve
- Various operational and senior leadership positions at Amoco and Apache
- Board member of Vital Energy (NYSE: VTLE)
- Holds a B.A. in Geology from the University of California, Santa Barbara, an M.S. and Ph.D. in Geophysics from Stanford University, and an M.B.A. from MIT
- Fellow, Geological Society of America



Jan Schott – Executive Vice President & Chief Financial Officer



- Former CFO of Texas Crude Energy LLC and SVP and CFO of Goodrich Petroleum
- Served in various finance and accounting management roles at Apache after beginning career at KPMG
- Board member of Sevana Bioenergy LLC (OTPP backed)
- Former board member, Audit Committee Chair FireBird Energy LLC (OTPP, RedBird Capital backed)
- Holds a B.B.A. from Texas A&M University and CPA designation



Britt Dearman – Chief Operating Officer



- Former Southern Region Head of Operations at Forest Oil
- Served in various positions at Apache and Amerada Hess Corporation
- Holds a B.S. from the University of Louisiana at Lafayette and an M.B.A. from the University of Texas at Austin



Chris Migura – General Counsel



- Former Deputy General Counsel at NextDecade, Chief Counsel at BG Group plc, Assistant General Counsel at Occidental Oil & Gas and attorney at Vinson & Elkins LLP
- Board Certified in Oil, Gas & Mineral Law by the Texas Board of Legal Specialization
- Holds a J.D. from the University of Houston and a B.S. in Economics from the Wharton School of the University of Pennsylvania





TGNR: Material, low-risk position in the Ark-La-Tex region

Asset Highlights

- ✓ Premier Haynesville assets supported by low decline PDP cash flow
- ✓ Best-in-class margins with extensive drilling inventory
- ✓ Epicenter of LNG export facilities
- ✓ Long-term value development with blue-chip sponsors
- ✓ Strong track record of asset optimization

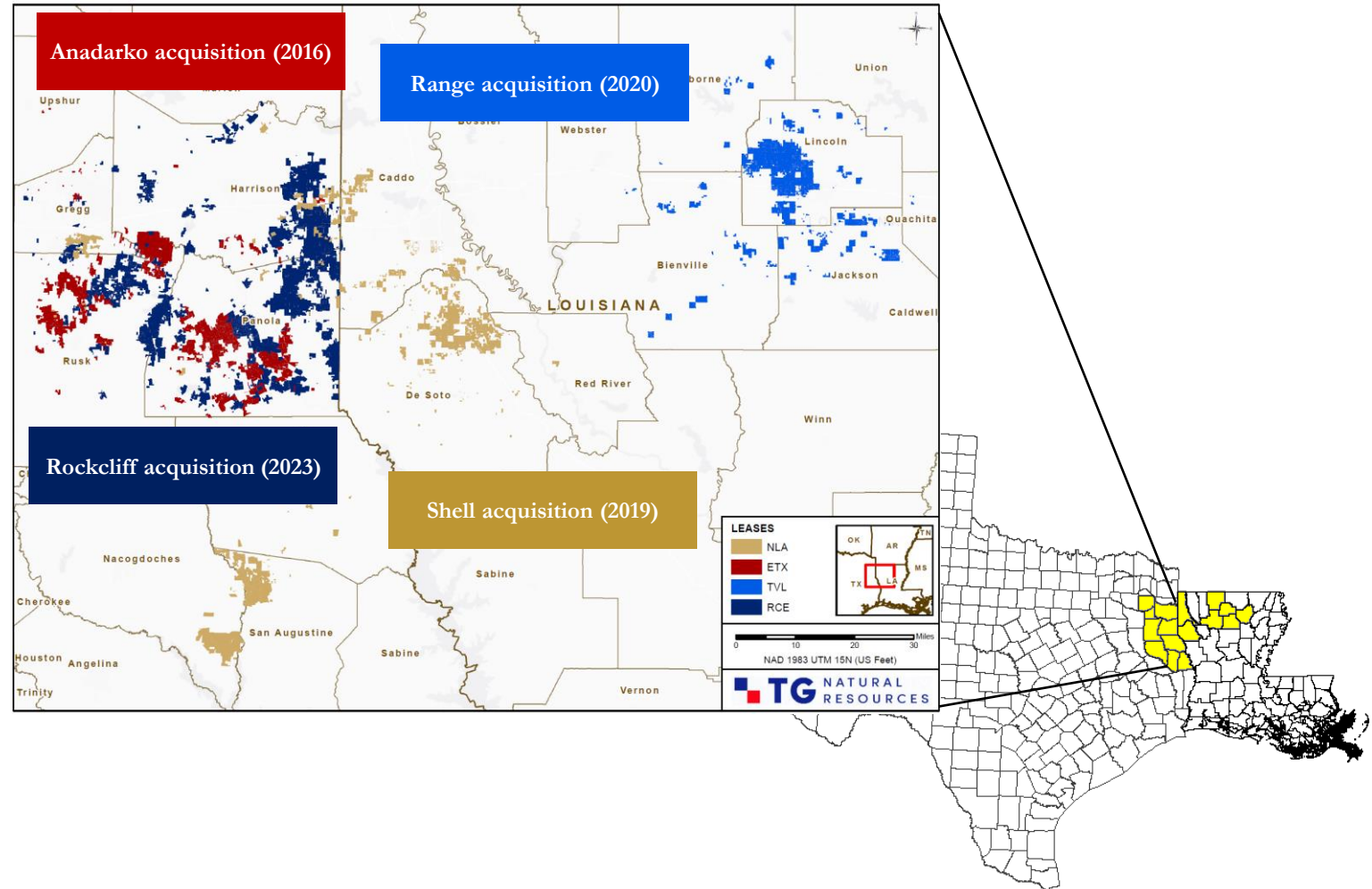
Key Metrics¹

Category	Reserves (Bcfe)
Proved Developed	2,438
Total Proved	4,618
3P Reserves	7,009

Asset Details²

Net Acres	ca. 410,000 acres
Gross Producing Wells	ca. 4,764 wells
Net Production	ca. 1.3 Bcfe/d
Proved Reserve Life ³	ca. 11 years
Midstream Assets	800+ miles of high/low pressure gathering pipeline and additional water/condensate infrastructure

Asset Locator Map



1. Source: TGNR 2023 YE Reserve Report.
 2. Asset details as of Rockcliff acquisition close on December 29, 2023.
 3. Proved reserve life calculated by taking total proved reserves divided by current net production multiplied by 365 days.



TG NR has pursued a disciplined, methodical approach to acquisitions

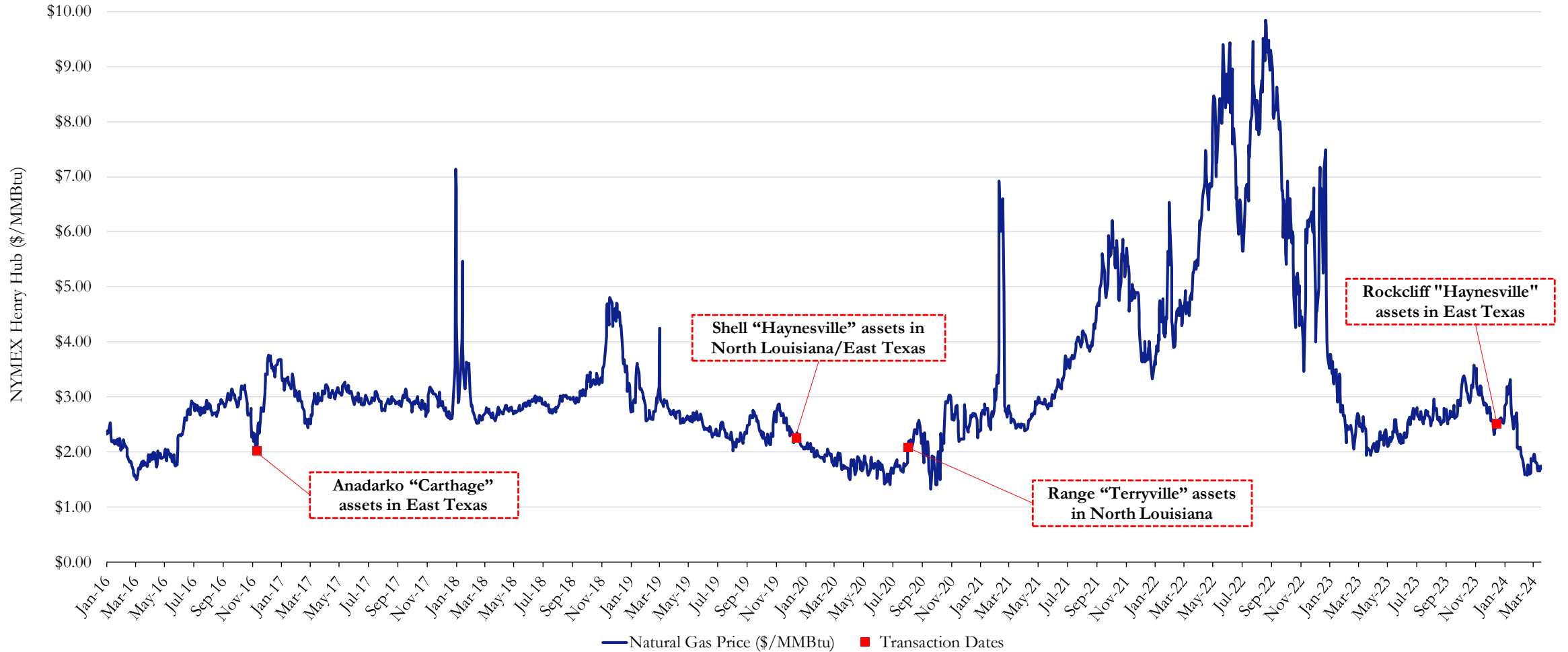
Historical Acquisitions

• Rockcliff “Haynesville” assets in East Texas	Dec. 2023	\$2,700MM	
• Range “Terryville” assets in North Louisiana	Aug. 2020	\$245MM	
• Shell “Haynesville” assets in North Louisiana / East Texas	Dec. 2019	Undisclosed	
• Anadarko “Carthage” assets in East Texas	Nov. 2016	\$1,030MM	
• EDF assets in East Texas	Aug. 2015	Undisclosed	



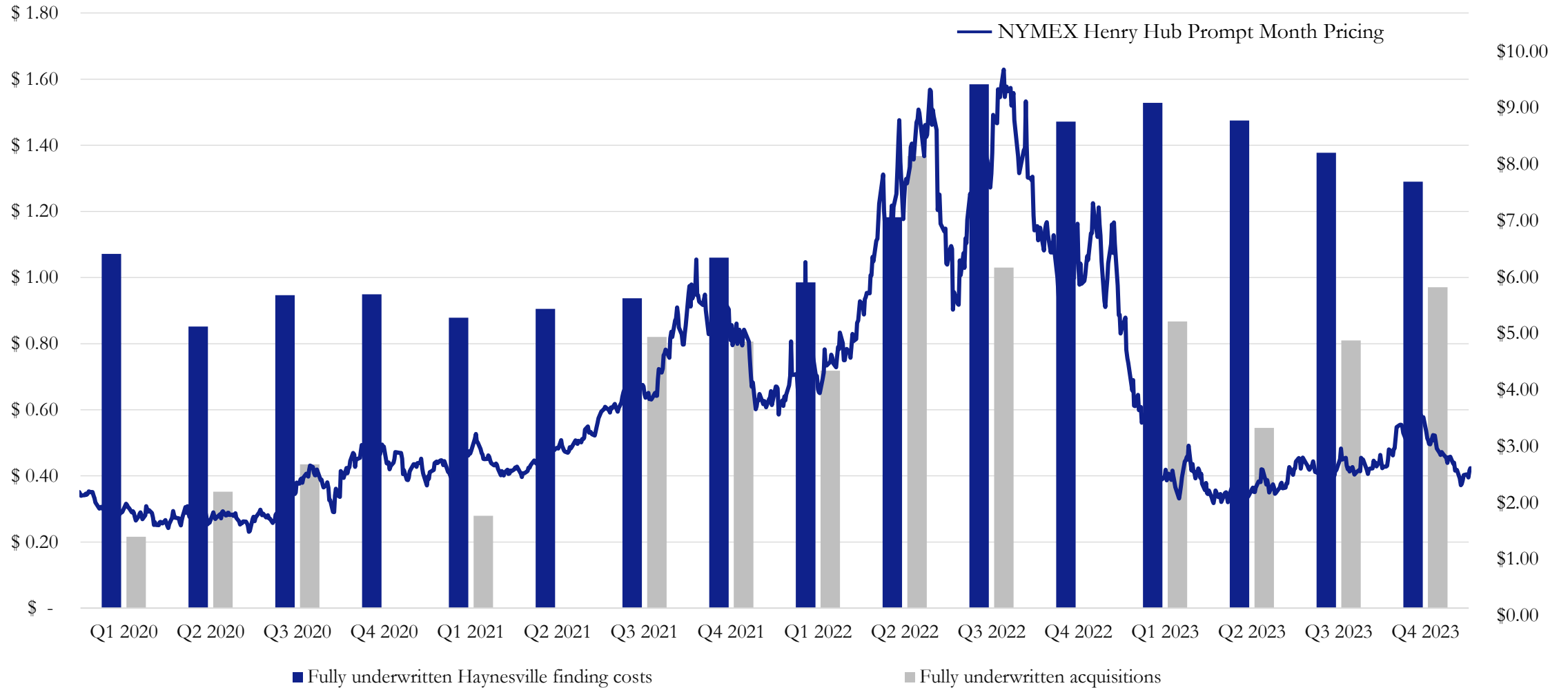
The timing of TGNR acquisitions has been ideal

Every material acquisition has occurred when prompt-month natural-gas prices were at or below \$2.50 per MMBTU





The arbitrage in gas basins has evolved over time



Source: Internal company estimates. Pricing as of December 31, 2023.

The Rockcliff Acquisition

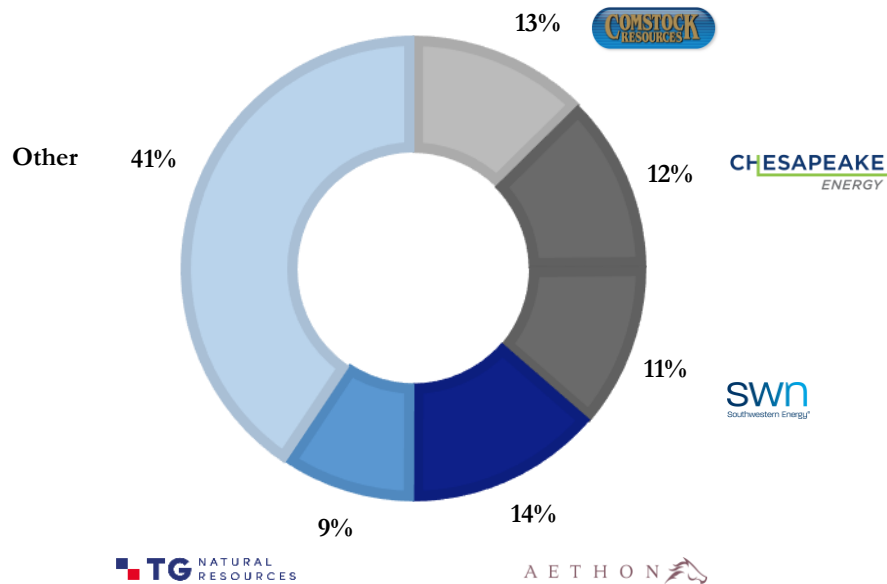


TG NR is a major player in the Ark-La-Tex region

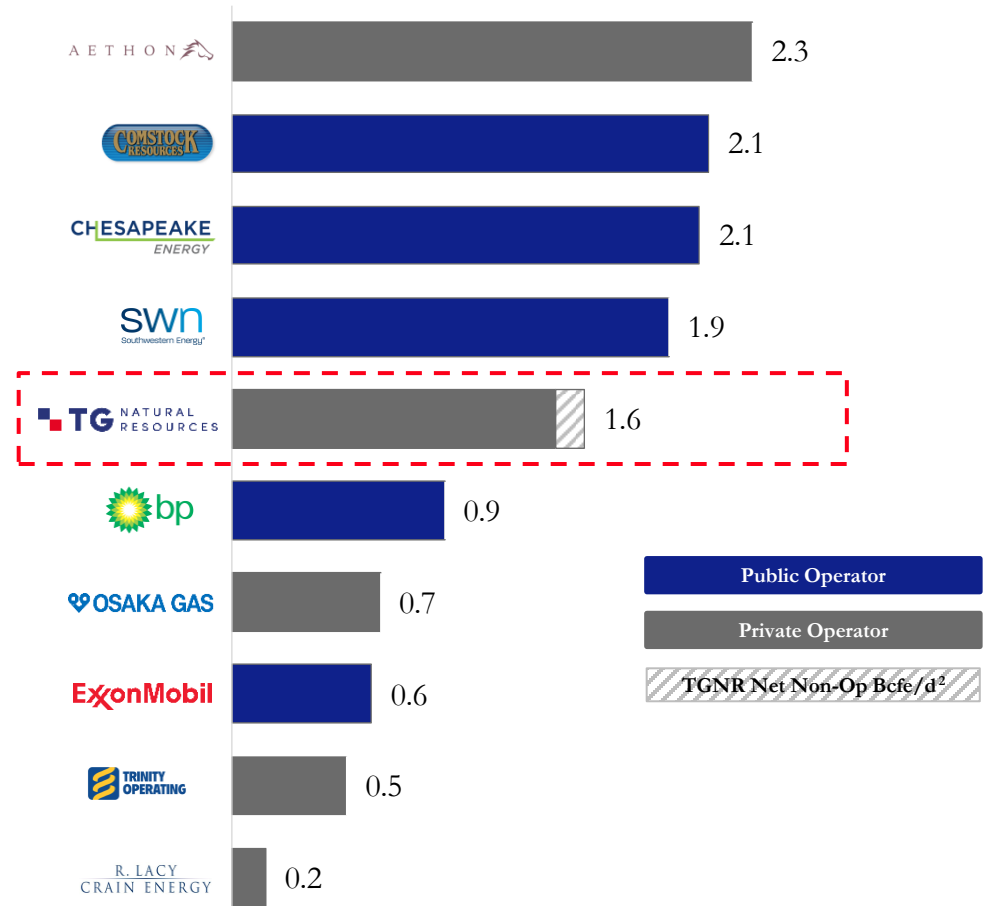
Key Takeaways

- The Rockcliff acquisition increased production by ca. 300% and increased in reserves by ca. 230%
- 2nd largest private operator by production and one of the largest private operators by net acreage in the Haynesville
- Blocky, contiguous acreage position with high NRIs

9% of Total Haynesville Production Attributable to TGNR¹



Top Haynesville Producers (Gross Operated Bcfe/d)¹



Source: Enverus.

1. November 2023 average gross operated volumes.

2. TGNR net non-operated Bcfe/d actuals for November 2023.



Rockcliff has ample high-quality inventory

Gross Drilling Inventory Count				
Recovery ²	Lateral Length ¹			Total
	Short	Medium	Long	
Good	5	30	53	88
Better	1	17	57	75
Best	9	83	77	169
Total	15	130	187	332

Net Drilling Inventory Count				
Recovery ²	Lateral Length ¹			Total
	Short	Medium	Long	
Good	3.4	18.0	23.0	44.4
Better	0.6	13.2	32.0	45.8
Best	6.0	57.4	53.4	116.8
Total	10.0	88.6	108.4	207.0

¹Lateral lengths

Short: Less than 7,500 feet
 Medium: 7,500 to 10,000 feet
 Long: Greater than 10,000 feet

²Recoveries

Good: 0.90 to 1.31 BCF per 1,000 feet
 Better: 1.43 to 1.65 BCF per 1,000 feet
 Best: 1.90 to 1.94 BCF per 1,000 feet



With scale comes increased value

TEV / Forward EBITDA Multiple Analysis since 2015



TGNR Operational Performance



Rockcliff acquisition: Synergies out of the gate

The Rockcliff acquisition increased production by ca. 300% and increased in reserves by ca. 230%

Synergies in Staffing

Reduced combined headcount in the field by ca. 40%

Corporate level employees only increased by ca. 44%

Staff augmentation model in Bangalore, India, for accounting and Land Administration allowed further synergies

Immediate Aerial LDAR Survey of All Assets

74% of the Rockcliff assets have been surveyed (581 locations surveyed) to date; completion expected by March 31

Completed a georeferenced report for all 735 wells examined, 15 Compressor Stations, and 12 Central Tank Batteries

Only 10 small leaks were identified that required operator assistance to repair

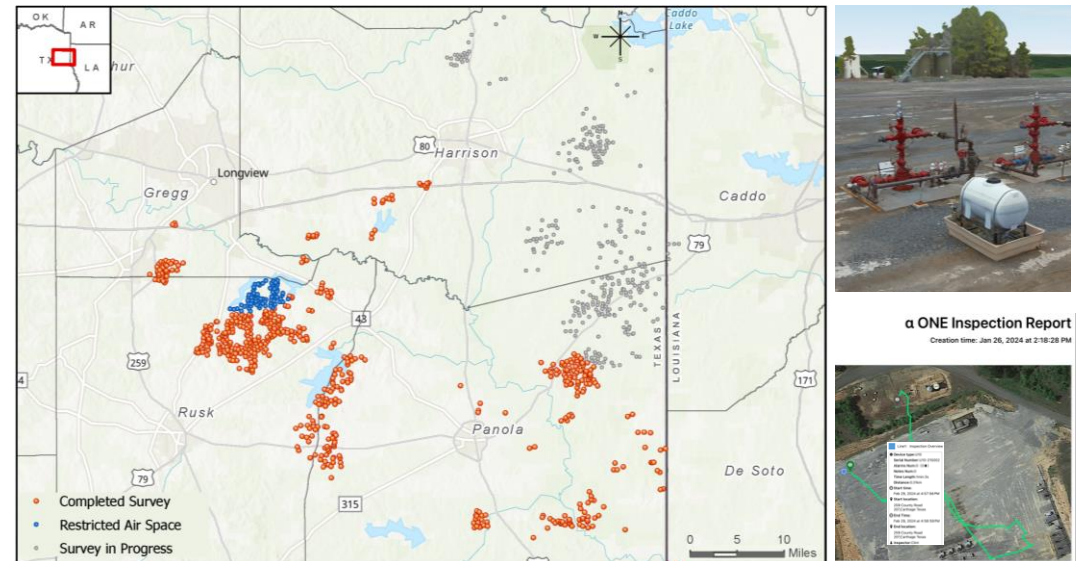
Synergies in Operations

Redesigned pumper routes, reassigned personnel to reduce drive time, and increased the wells per pumper from 30 to 89

Reduced chemical costs by 20 percent by changing vendors

Designing centralized facilities for to reduce the number of separators and tanks to improve operational efficiencies and reduce GHG emissions

Drone Progress Map

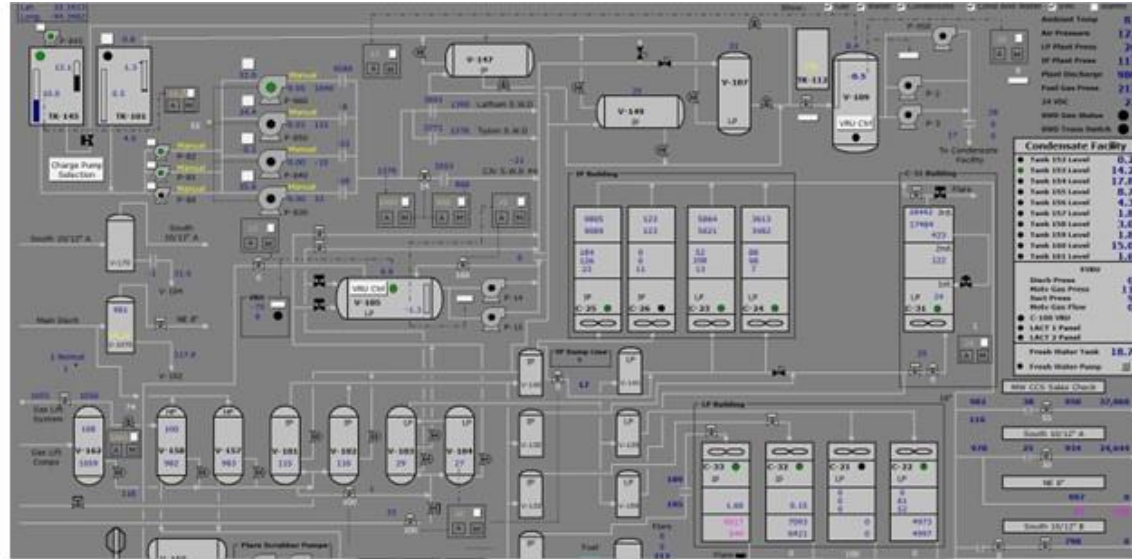




Near-term synergy: Pumping by exception enabled by SCADA



IOC Room in Carthage, Texas



Example Screen to Monitor Operating Parameters

- A key advantage of centralized facilities is the increased scale and reduction of manpower that provides efficiency gains and cost savings.
- All of TGNR's wells in Texas and most wells in Louisiana are monitored from an Information Operations Center (IOC) in Carthage, Texas. Conditions that trigger alarms are monitored in the IOC where the operator will dispatch personnel to address the alarms.
- Exception reports are generated each day to assist the lease operators in determining which wells are the priority for their workday (e.g., "pumping by exception")



Long-term synergy: Full well-stream projects

Full well stream projects eliminate most or all tanks, separators, and burner units at wellsites

Typical wellsite in Terryville



Note: Pictured facilities are eliminated at a full well stream site. Wellheads, separators, and meters not shown in picture above.

Typical full well stream wellsite



Note: No separators, combustors, or oil/water storage tanks

- **Retired 800 storage tanks, 400 separators, and 70 combustion units.**
- The elimination of equipment in the picture on the left reduces fugitive emissions and potential spills.
- The elimination of the equipment also reduces the time a lease operator spends at a wellsite, the cost of maintaining the equipment, and trucking.



TGNR aggressively identifies and repairs leaks

Leak Detection and Repair (LDAR)

- After a 2020 aerial LDAR survey, TGNR deployed a team on the ground to systematically assess leaks and emissions for timely remediation and repair
 - More than 170 gas-driven pneumatic pumps have been replaced with solar pumps in recent years
 - More than 1,350 pneumatic controllers have been replaced with electronic actuators or instrument air in recent years, with plans to replace more
- LDAR surveys scheduled on 100% of facilities annually in addition to at least 50% surveyed quarterly
 - TGNR has conducted more than 5,000 LDAR inspections from 2021 onward
 - All EHS field staff are equipped with a LaserMethane mini to safely, effectively and efficiently monitor components of every site at a safe distance

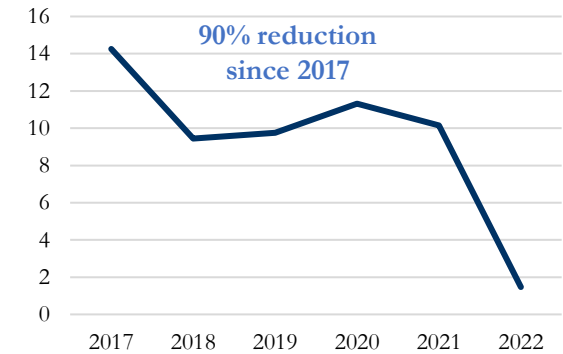


TGNR drone with leak detection technology

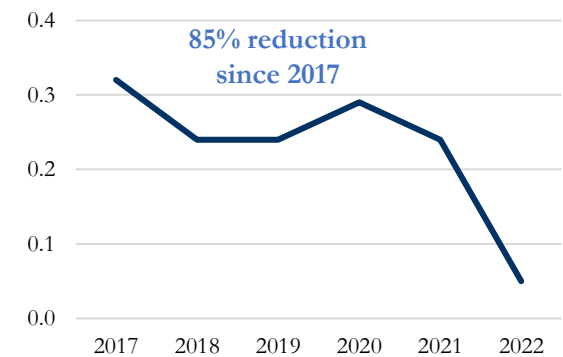


LDAR survey with a LaserMethane mini

GHG Intensity Rate



Methane Intensity Rate



The Macro Environment

■ **Canary in a coal mine: Is the upstream business in imminent danger?**

- **Objective leading indicators for the demise of the upstream business:**
 - Material decrease in demand
 - Material and off-market increase in the cost of capital
 - Material and off-market increase in insurance rates
 - Terminal values in valuation models tending toward zero
 - Acceleration of P&A liabilities in valuation models
 - Inability to obtain project finance for long-dated projects

- **We are seeing none of these things**





The cost of capital for upstream has not increased in past five years



Courtesy of Goldman Sachs Investment Research



This business continues to attract billions in long-dated project finance

A leading indicator of a sunset business is the inability to attract capital investment into expensive, long-term projects. This is not happening in natural gas.



- Over the past year and a half, nearly 82 binding contracts have been signed for LNG offtake from facilities on the U.S. Gulf Coast
- Of these contracts, about 68% contemplate a start date in 2026 or 2027
- Of these contracts, over 54% run for 20 years and about 26% run for 15 years
- **Conclusion: Sophisticated investors are betting material capital that this will remain a good business through at least 2045**



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