



Private Capital Adapts to New American Energy Paradigm
ALTERNATIVE LIQUIDITY OPTIONS
JW Marriott, Galleria

"Don't be afraid to give up the good to go for the great." ~ John D Rockefeller

PETRO LUCRUM, INC.

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PETRO LUCRUM, INC.

PETRO LUCRUM INC. IS...

- 4th Generation Single Family Office.
- Focused on USA, onshore, focused upstream Single Family Office.
- Active in A & D, private & public equity.
- Headquartered in Houston, Texas.

PETRO LUCRUM INC. OWNS...

- Public portfolio companies
- Private oil & gas ventures
- E & P Fund

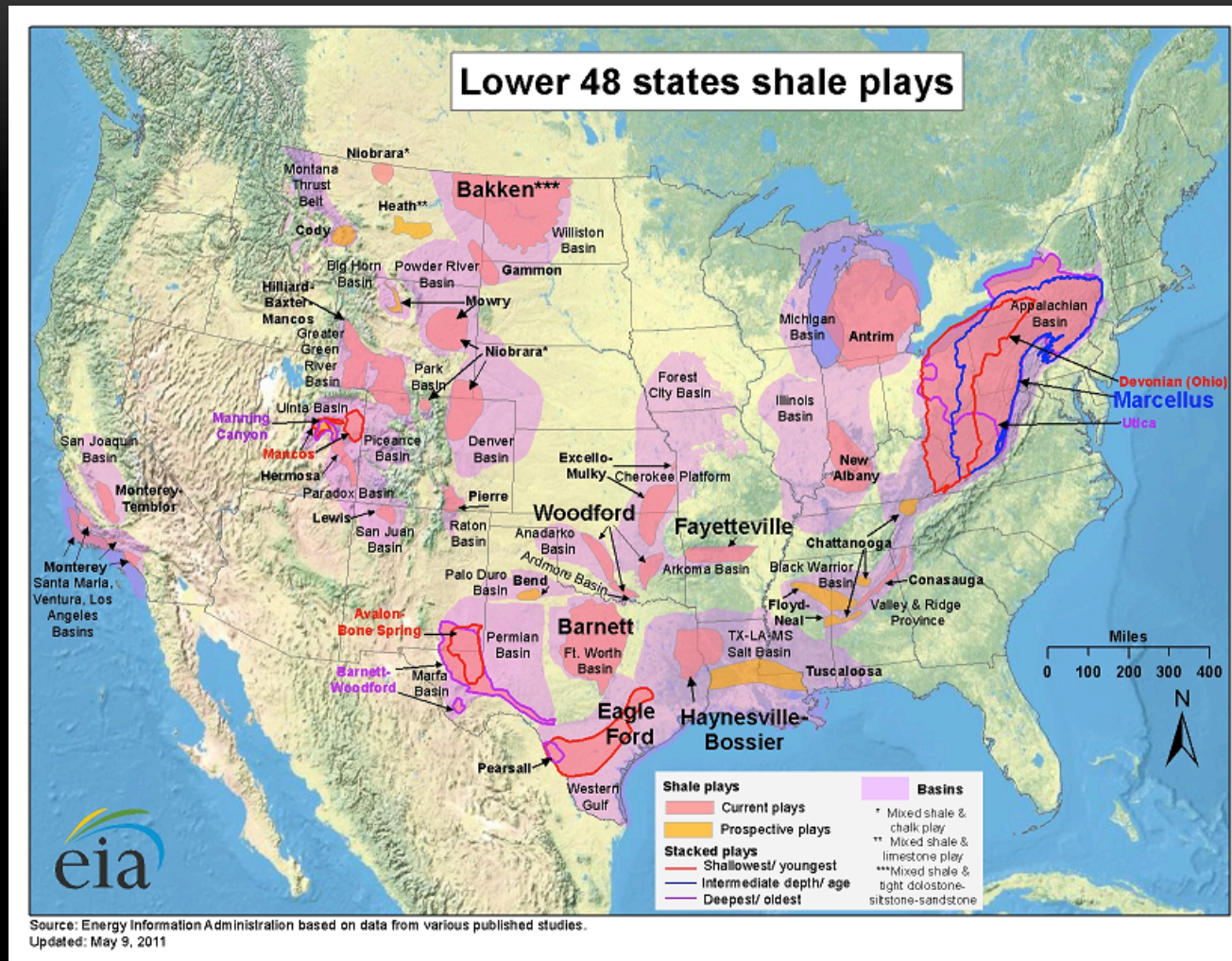
PETRO LUCRUM INC. SYNDICATES...

- Private Equity Funds
- Institutions
- Oil & gas Groups
- Multi-Family Offices



PETRO LUCRUM, INC.

PORTFOLIO FOCUS - ONSHORE USA



PETRO LUCRUM, INC.

Source: EIA

E & P CAPITAL RAISES

F2: USE&P CAPITAL RAISES



PETRO LUCRUM, INC.

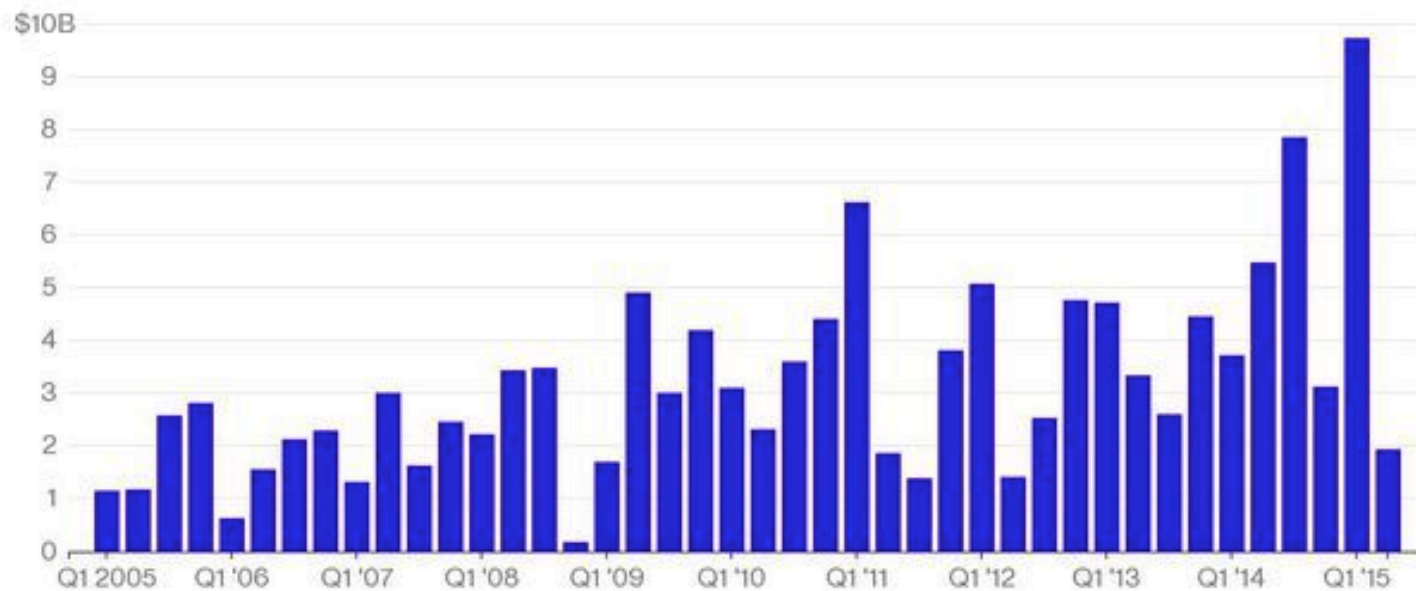
Source: EIA

CASH IS KING

Cash Is King for Shale Producers

Money raised from share sales was the highest in 10 years

■ Value of Equity Issuance



Source: Bloomberg

Bloomberg

PETRO LUCRUM, INC.

Source: EIA

ANALYZING EQUITY MARKET LIQUIDITY

Has Equity Money Dried Up?

\$130B+ Raised “Dry Powder”

New Money Flooding In



PETRO LUCRUM, INC.

Source: Jefferies

EVALUATING THE IMPACT OF THE OIL PRICE DOWNFALL TO DETERMINE THE ONGOING FEASIBILITY AS MECHANISM FOR FUNDING E & P CAPEX IN TODAY'S DOWN MARKET

Surviving The Downturn

Understanding What Signified A Healthy Company

Average Cash Cost Per Barrel

Abundance Of Capital But At What Cost?

Capital For Acquisitions & CapEx

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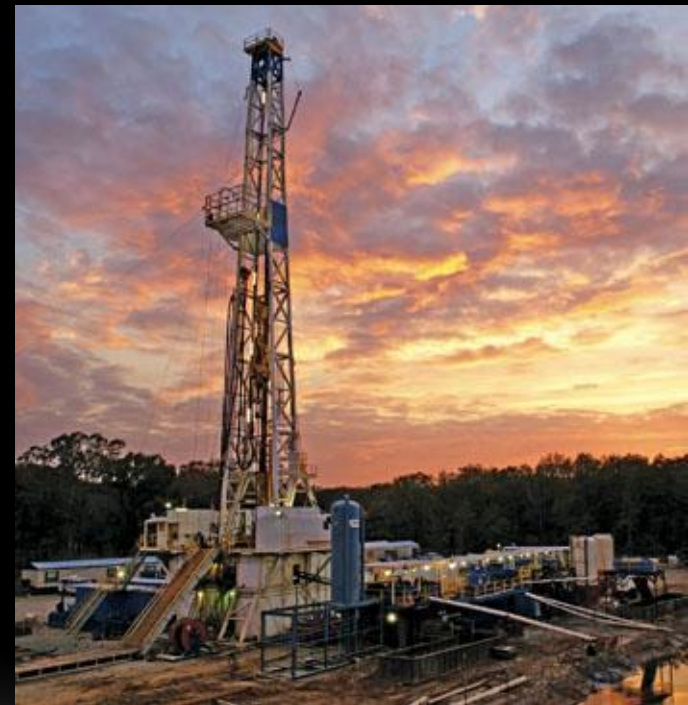
Source: Jefferies

ACCESSING THE COST OF ISSUING EQUITY IN THE DOWNCYCLE

Recapitalization Has Become Watchword

Calling The Bottom

Pain Is Very Much Still Being Felt



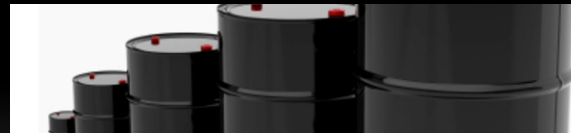
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ANALYZING EQUITY MARKET CONDITIONS IN RELATION TO CURRENT OIL PRICES TO UNDERSTAND THE COST AND LEVEL OF RISK IT REPRESENTS FOR E & P COMPANIES THAT EXHAUSTED DEBT AS AN AVAILABLE SOURCE OF CAPITAL

Creative Forms Of Finance

Previously Outspending Cash Flow

1-1.5 Years Companies A lot Of Trouble



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TRACKING CURRENT TRENDS IN E & P FINANCING TO DETERMINE THE EXTENT TO WHICH THEY ARE INCREASINGLY TURNING TO THE EQUITY MARKET AS DEBT MARKET BECOMES MORE EXPENSIVE

More Than Technical Market Correction

Production Surge In Libya, Iran, Iraq And Others.

The Vicious Cycle Continues



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TURNING TO ALTERNATIVE STRUCTURES TO AVOID CORPORATE EQUITY DILUTION AND
DEBT LIKE STRUCTURES

One Of The Best Opportunities In A While

Using Royalties To Bridge Gap

ORRIs

Production Payments



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How Low Will It Go?

Oil in Limbo: How Low Will It Go?

■ Brent crude, dollars per barrel

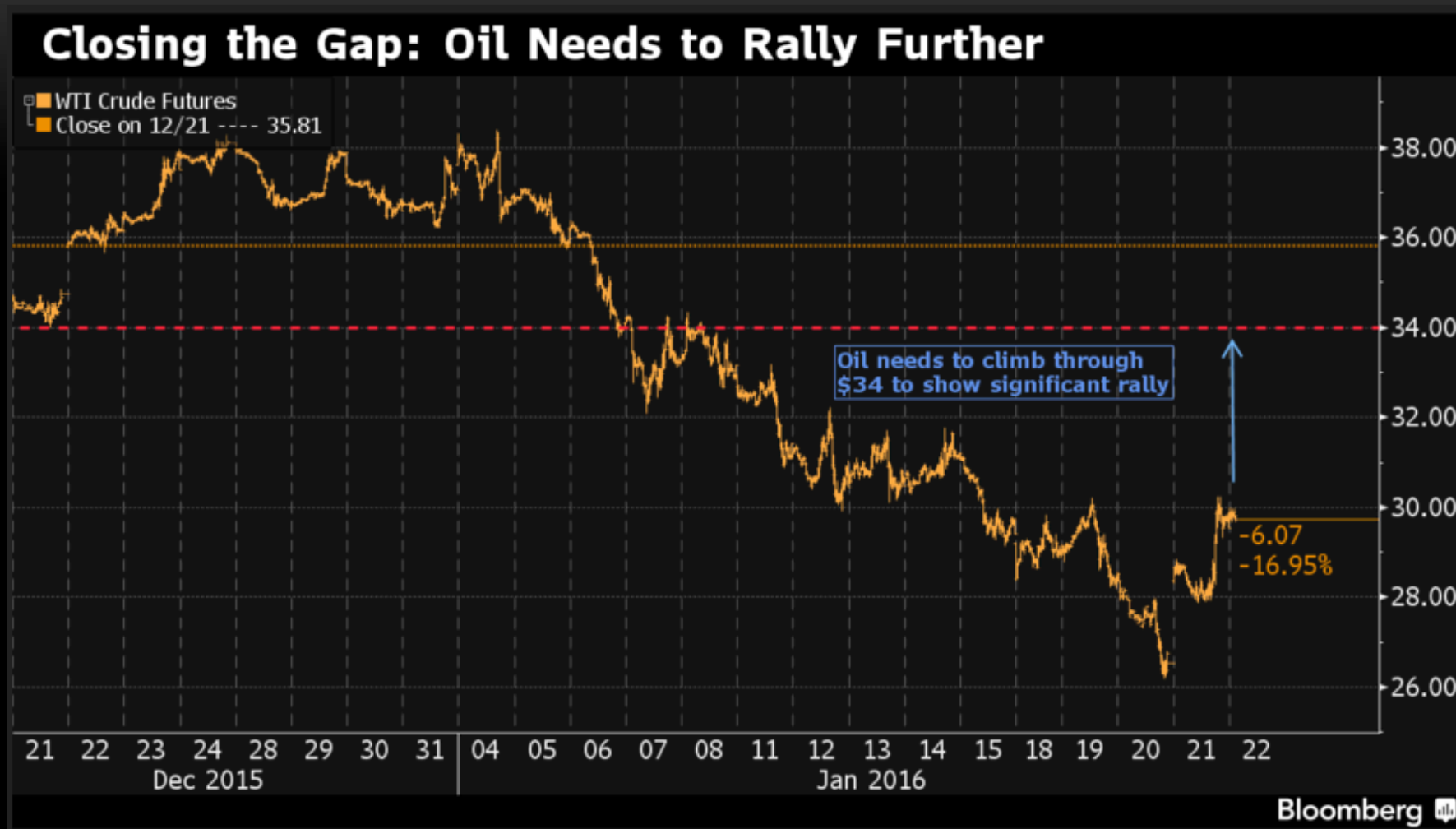


Bloomberg

PETRO LUCRUM, INC.

Source: Bloomberg

IS THE BOTTOM NEAR?



PETRO LUCRUM, INC.

Source: Bloomberg

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