

September 2024 Investor Presentation



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This presentation relates to Sitio Royalties Corp. (the “Company”, “Sitio” or “STR”) and contains statements that may constitute “forward-looking statements” for purposes of federal securities laws. Forward-looking statements include, but are not limited to, statements that refer to projections, forecasts, or other characterizations of future events or circumstances, including any underlying assumptions. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “seeks,” “possible,” “potential,” “predict,” “project,” “prospects,” “guidance,” “outlook,” “should,” “would,” “will,” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. These statements include, but are not limited to, statements about the Company’s expected results of operations, cash flows, financial position and future dividends; as well as certain future plans, expectations and objectives for the Company’s operations, including statements about our return of capital framework, our share repurchase program, the implementation thereof and the intended benefits, financial and operational guidance, strategy, synergies, certain levels of production, future operations, financial position, prospects, and plans. While forward-looking statements are based on assumptions and analyses made by us that we believe to be reasonable under the circumstances, whether actual results and developments will meet our expectations and predictions depend on a number of risks and uncertainties that could cause our actual results, performance, and financial condition to differ materially from our expectations and predictions. Factors that could materially impact such forward-looking statements include, but are not limited to: commodity price volatility, the global economic uncertainty and market volatility related to slowing growth, the large-scale invasion of Ukraine by Russia, the conflict in the Israel-Gaza region and continued hostilities in the Middle East including tensions with Iran, announcements of voluntary production cuts by OPEC+ and others, including OPEC’s recent extensions of its voluntary production cuts, and those other factors discussed or referenced in the “Risk Factors” section of the Annual Report on Form 10-K for the year ended December 31, 2023 and other publicly filed documents with the U.S. Securities and Exchange Commission. Any forward-looking statement made in this presentation speaks only as of the date on which it is made. Factors or events that could cause actual results to differ may emerge from time to time, and it is not possible to predict all of them. Sitio undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future development, or otherwise, except as may be required by law.

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BASIS OF PRESENTATION

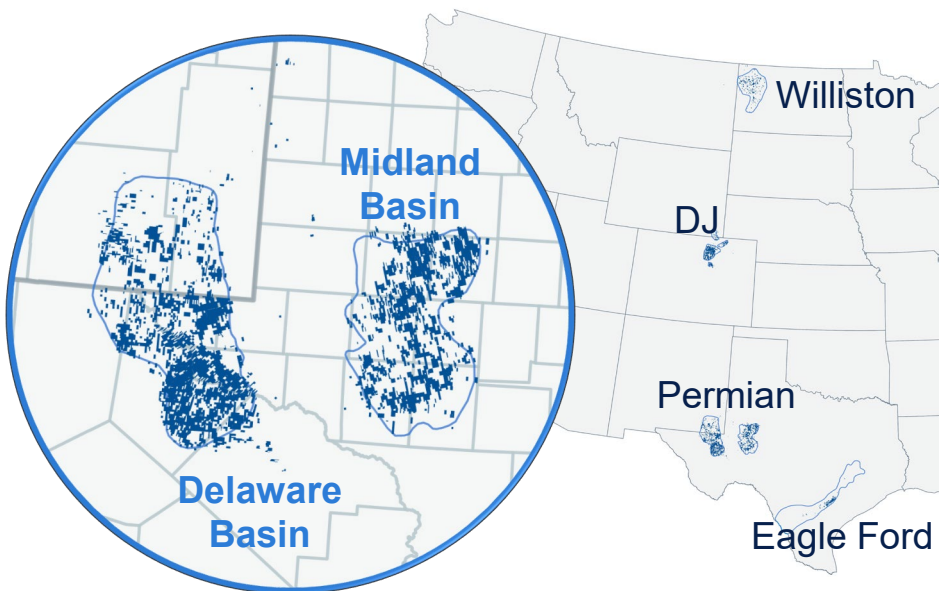
Unless otherwise noted, all net royalty acre (“NRA”), gross and net well counts are as of 6/30/2024. All NRA metrics are shown on a 1/8ths royalty equivalent basis. Gross and net wells are presented on a 5,000’ basis unless noted otherwise.

NON-GAAP MEASURES

This presentation includes financial measures that are not presented in accordance with U.S. generally accepted accounting principles (“GAAP”). While Sitio believes such non-GAAP measures are useful for investors, they are not measures of financial performance under GAAP and should not be considered in isolation or as an alternative to any measure of such performance derived in accordance with GAAP. These non-GAAP measures have limitations as analytical tools and you should not consider them in isolation or as substitutes for analysis of results as reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures used by other companies in our industry or across different industries. See Appendix for definitions of the non-GAAP measures used in this presentation and reconciliations to the most comparable GAAP measures.

Introduction to Sitio

The premier royalties enterprise



- Exposure to approximately 36% of the Permian Basin
- Diversified across more than 140 operators and 4 of the highest margin onshore basins
- ~68% of all US Onshore rigs in these 4 basins
- ~16% of all US Onshore rigs were operating on STR acreage in 2Q24

~\$4.4bn

Enterprise Value

~\$3.4bn

Equity Value⁽¹⁾

~90%

Adjusted EBITDA Margin

39.2 Mboe/d

2Q24 production

267,351

Total NRAs

\$13.26/boe

Total cash costs⁽²⁾

4,883 / 25.0

Gross / net
spuds

3,671 / 19.1

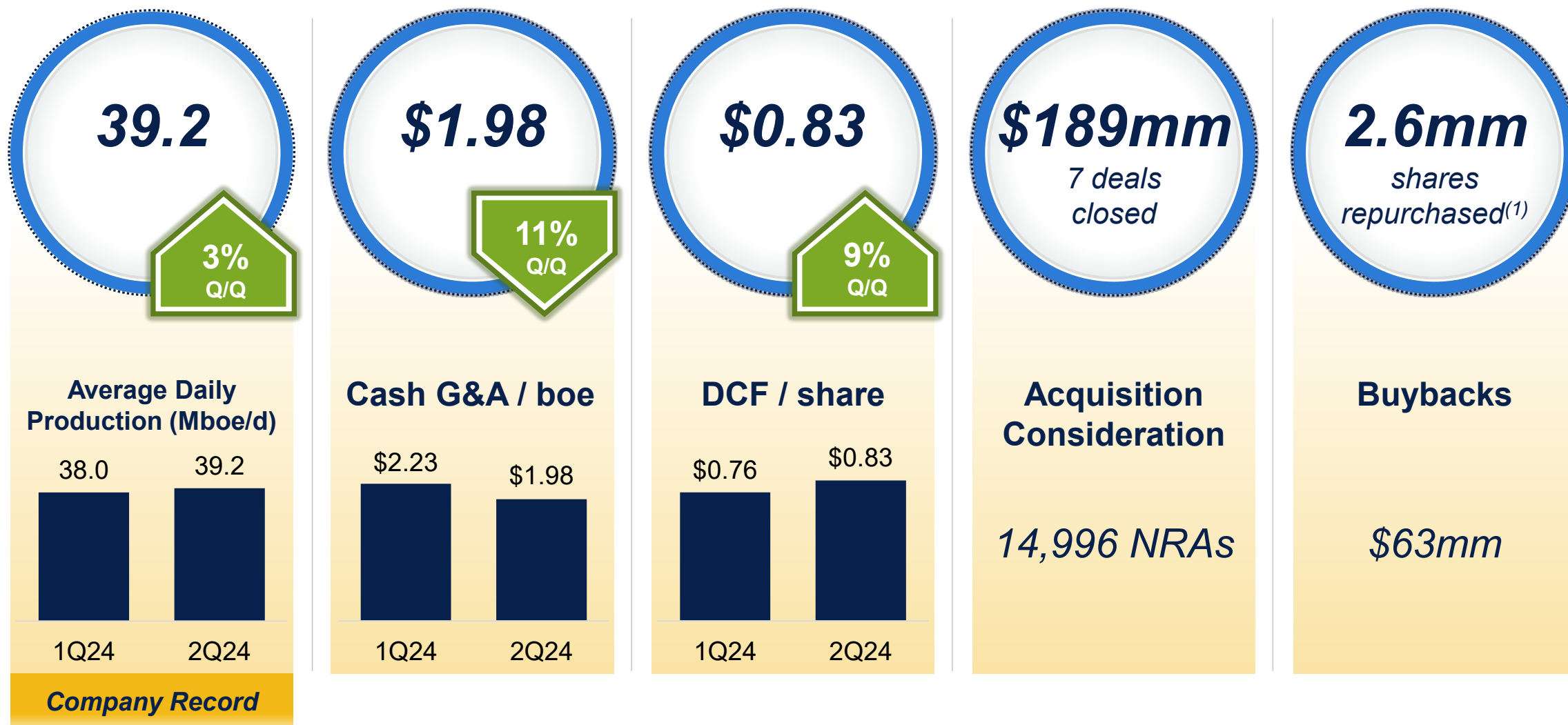
Gross / net
permits

45,898 / 409.5

Gross / net remaining
inventory

Sitio makes accretive acquisitions of royalty-generating assets and actively manages them to maximize cash collections

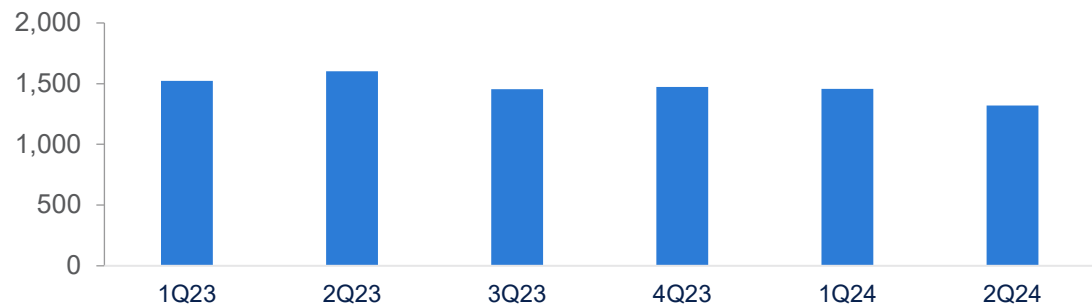
Second quarter highlighted by record production and operator activity



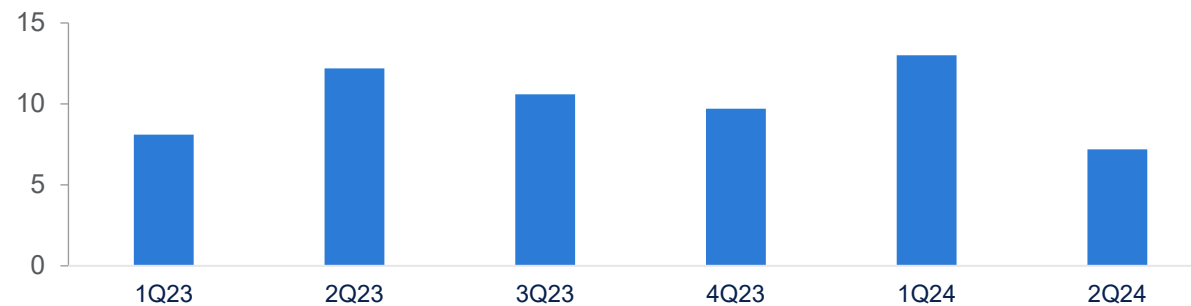
Note: Cash G&A and DCF are non-GAAP measures. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations
 (1) Represents a combination of shares and OpCo units

Large-scale, diverse asset base with active operator development and 10+ years of remaining inventory

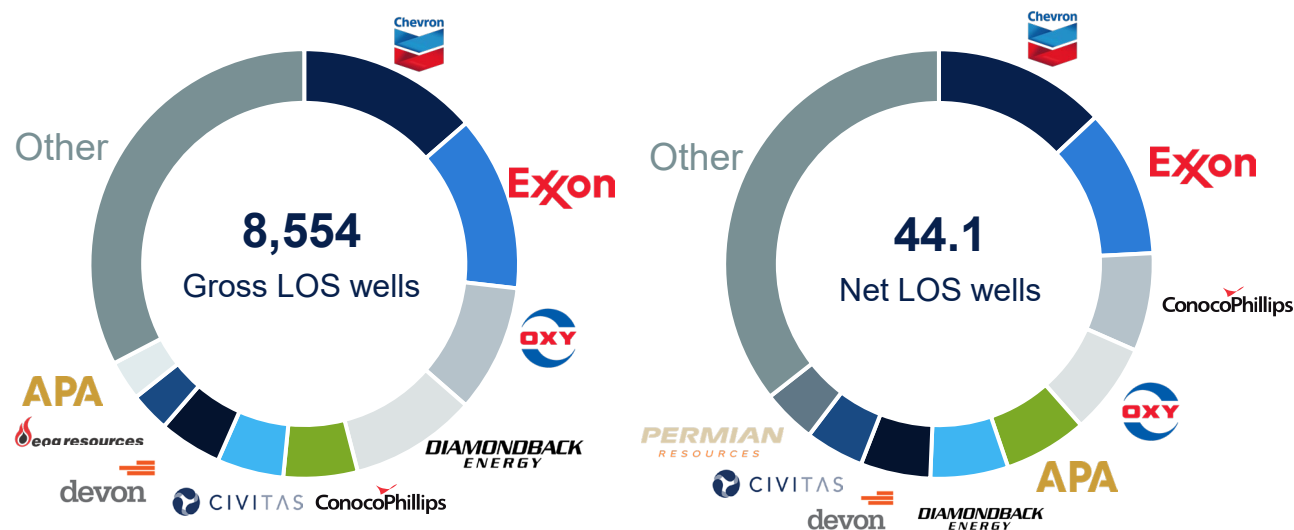
Gross wells TIL on STR's current assets



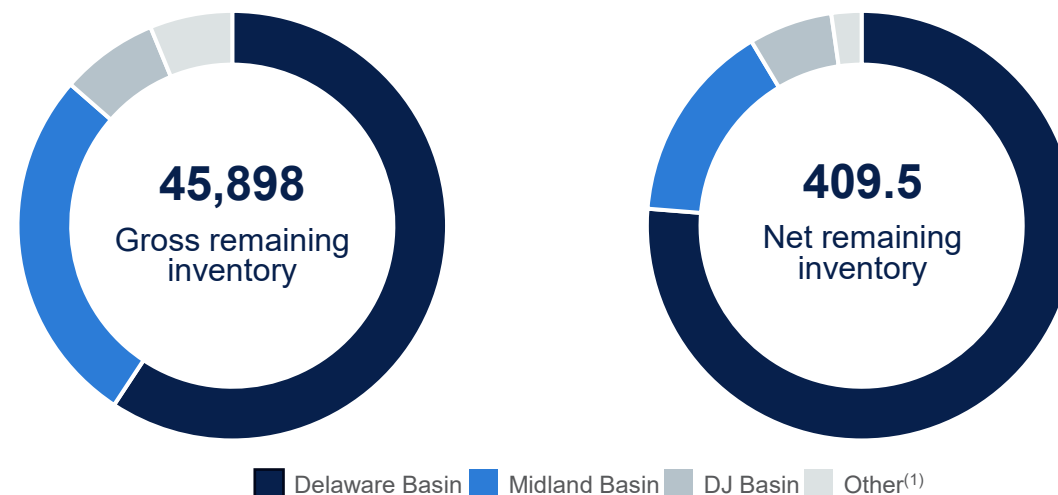
Net wells TIL on STR's current assets



LOS wells as of 6/30/2024



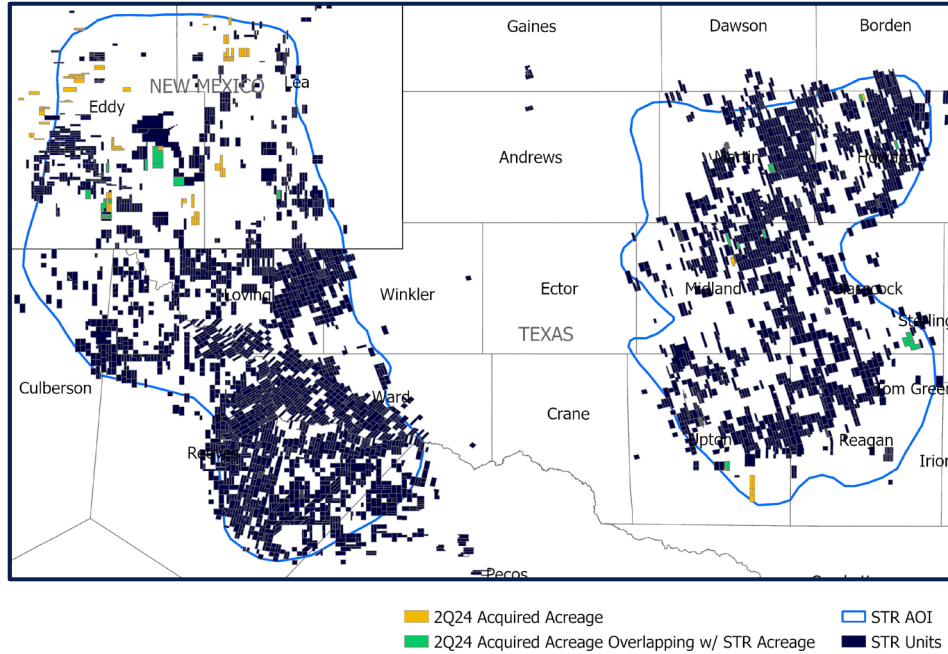
Inventory as of 6/30/2024



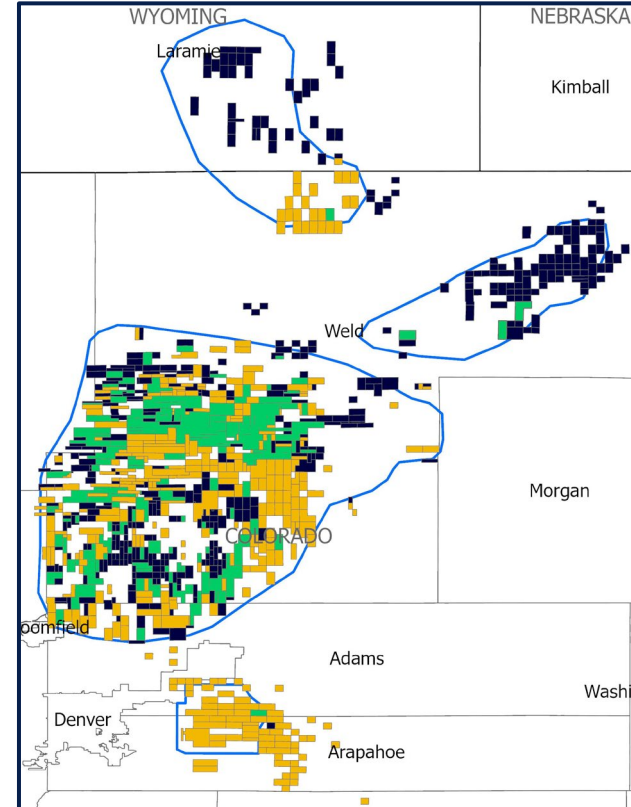
Note: Well counts normalized to 5,000' basis, are as of 6/30/24 and represent the wells on production based on publicly reported data on all assets owned by Sitio on 6/30/24. CVX pro forma for HES, FANG pro forma for Endeavor, and COP pro forma for MRO. Gross and net wells pro forma for all acquisitions as of 6/30/2024; (1) Other consists of Williston and Eagle Ford Basins

Returns driven acquisition strategy 2Q24

Permian Basin



DJ Basin



2Q24 Acquisition Details

Basin	Deal Count	Price (\$mm)	NRAs
Permian	2	\$27.4	1,289
DJ	5	\$161.1	13,707
Total	7	\$188.5	14,996

- › 6 2Q24 acquisitions⁽¹⁾ anticipated to add ~200 boe/d to full year 2024 production volumes (~400 boe/d to 2H24 production)
- › Key operators of acquired assets include CIVI, CVX, and OXY in the DJ Basin and Endeavor, EOG, Mewbourne, MTRD and OXY in the Permian Basin

2Q24 acquisitions increase STR gross acreage exposure across the Permian and DJ Basin to 36% and 49%, respectively

Note: NRAs as of 6/30/2024

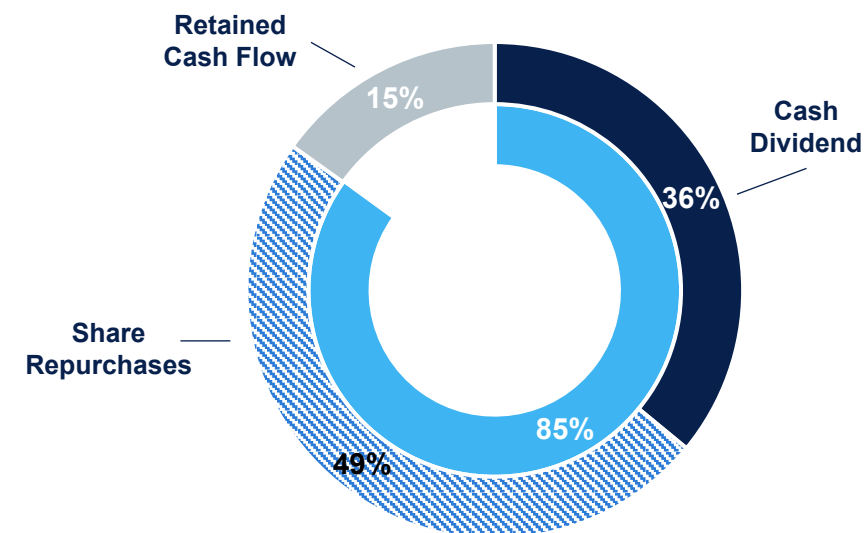
(1) Refers to the 6 acquisitions that closed in 2Q24 for \$38.5mm and excludes the DJ Basin Acquisition

2Q24 return of capital

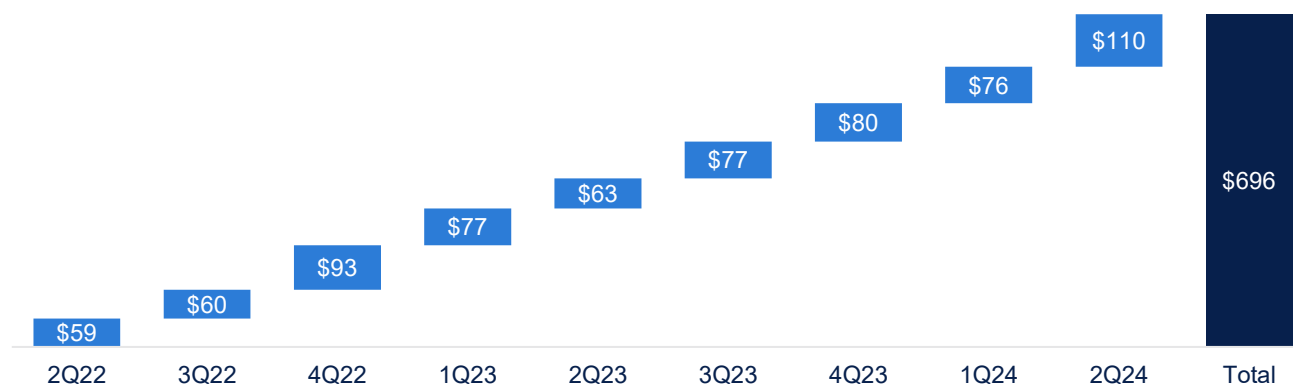
2Q24 Return of Capital Summary

	% of DCF	\$MM	Per Share
2Q24 Discretionary Cash Flow (“DCF”)		\$129	\$0.83
2Q24 DCF Returned to Shareholders	85%	\$110	\$0.71
Cash Dividend ⁽¹⁾	36%	\$46	\$0.30
Share Repurchases ⁽¹⁾	49%	\$63	\$0.41

2Q24 Return of Capital Allocation



Capital Returned to Shareholders Since 2Q22 (\$ in mm)⁽¹⁾



Sitio has returned \$696mm to shareholders or ~20% of its market capitalization⁽²⁾ since being publicly traded

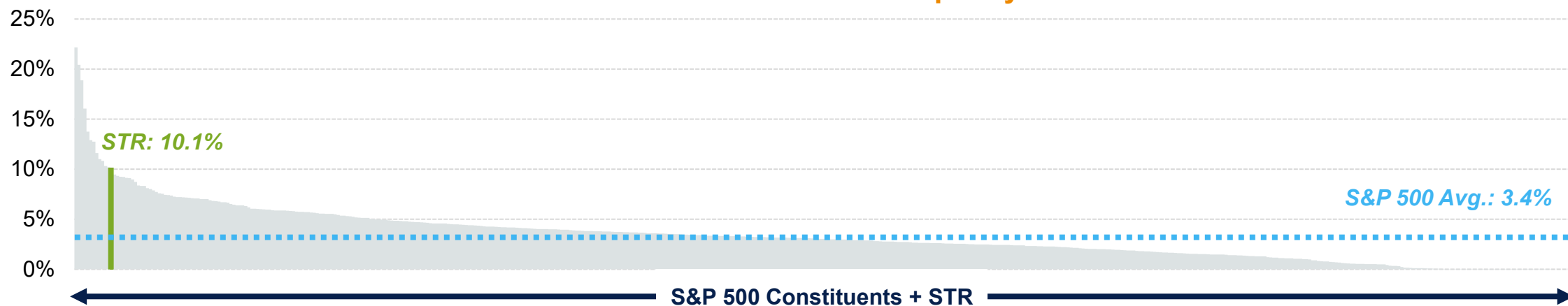
Note: DCF is a non-GAAP measure. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations

(1) Represents the quarter that share repurchases were made and quarter for which dividends were declared. Dividend for 2Q24 expected to be paid on 8/30/24

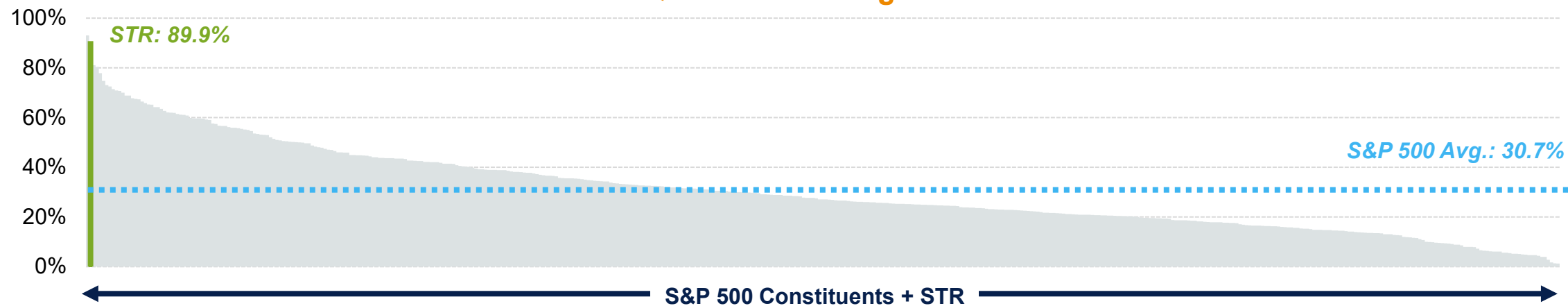
(2) Market capitalization as of 8/6/2024

STR value proposition in context

LTM 6/30/2024 total return of capital yield⁽¹⁾



2Q24 EBITDA margin⁽²⁾



Source: FactSet as of 8/28/24

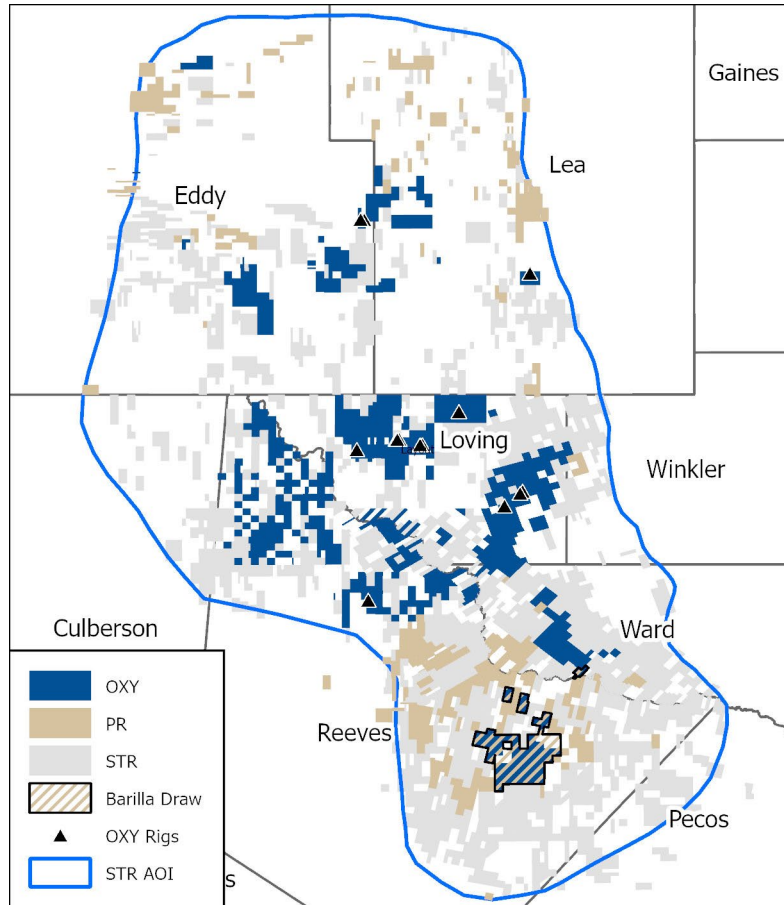
(1) Total return of capital yield calculated as dividends paid and share repurchases executed during quarter from 9/30/23 to 6/30/24 per FactSet

(2) EBITDA margin calculated as 2Q24 EBITDA divided by 2Q24 revenue per FactSet. STR EBITDA represents Adjusted EBITDA for 2Q24. Data set excludes S&P 500 constituents that do not have estimates for EBITDA or margins calculated less than zero percent. Note: Adjusted EBITDA is a non-GAAP measure. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations.

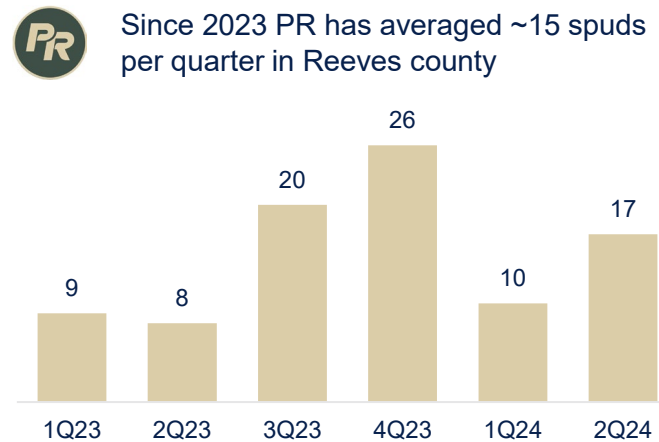
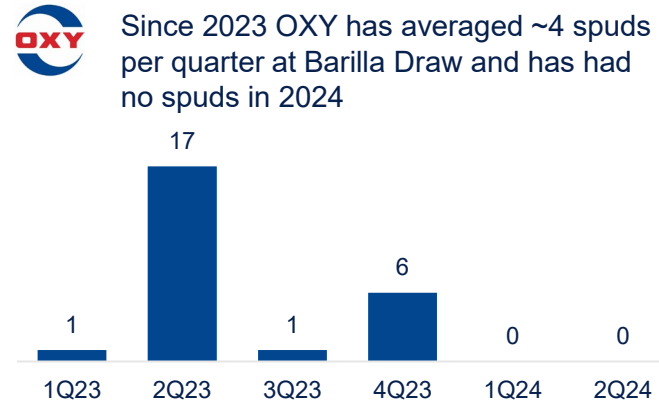
Macro trend: Sitio to benefit from upstream consolidation through accelerated development

Barilla Draw case study: Non-core asset for OXY to become core asset for Permian Resources

Delaware Basin Asset Locator Map



Wells Spud Since 2023⁽¹⁾



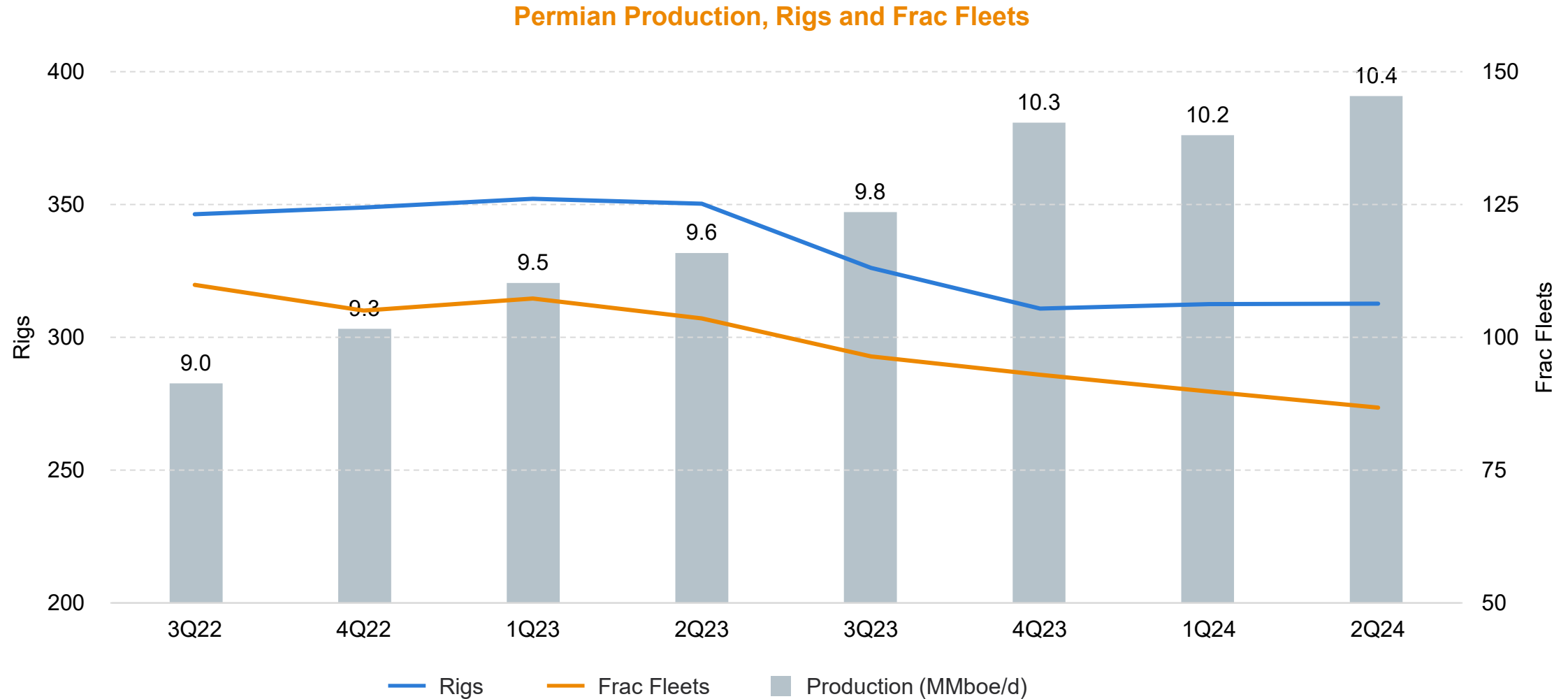
STR to benefit from accelerated development

- › STR stands to benefit from OXY divestiture of Barilla Draw assets to PR located in the Southern Delaware Basin
- › Non-Core asset for OXY becomes core for PR
 - Barilla Draw asset proximity to PR assets streamlines integration and immediately competes for capital
- › PR plans to commence development in 2H 2024, including co-development of Bone Spring Shales and Wolfcamp B formation
- › STR owns ~1,800 NRAs under divested position accelerating activity on STR minerals

(1) Spud information sourced from IHS

Macro trend: Operators are realizing efficiency improvements in the oilfield

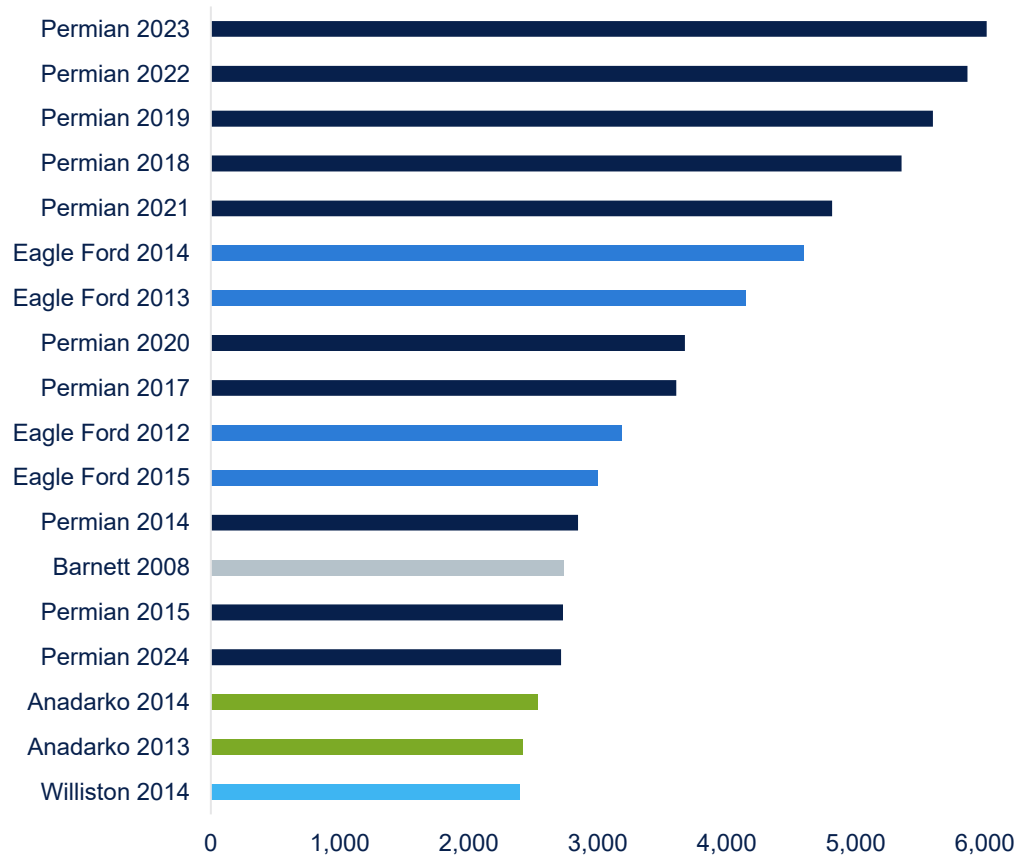
Permian Basin production has been growing steadily despite decreasing rigs and frac fleets



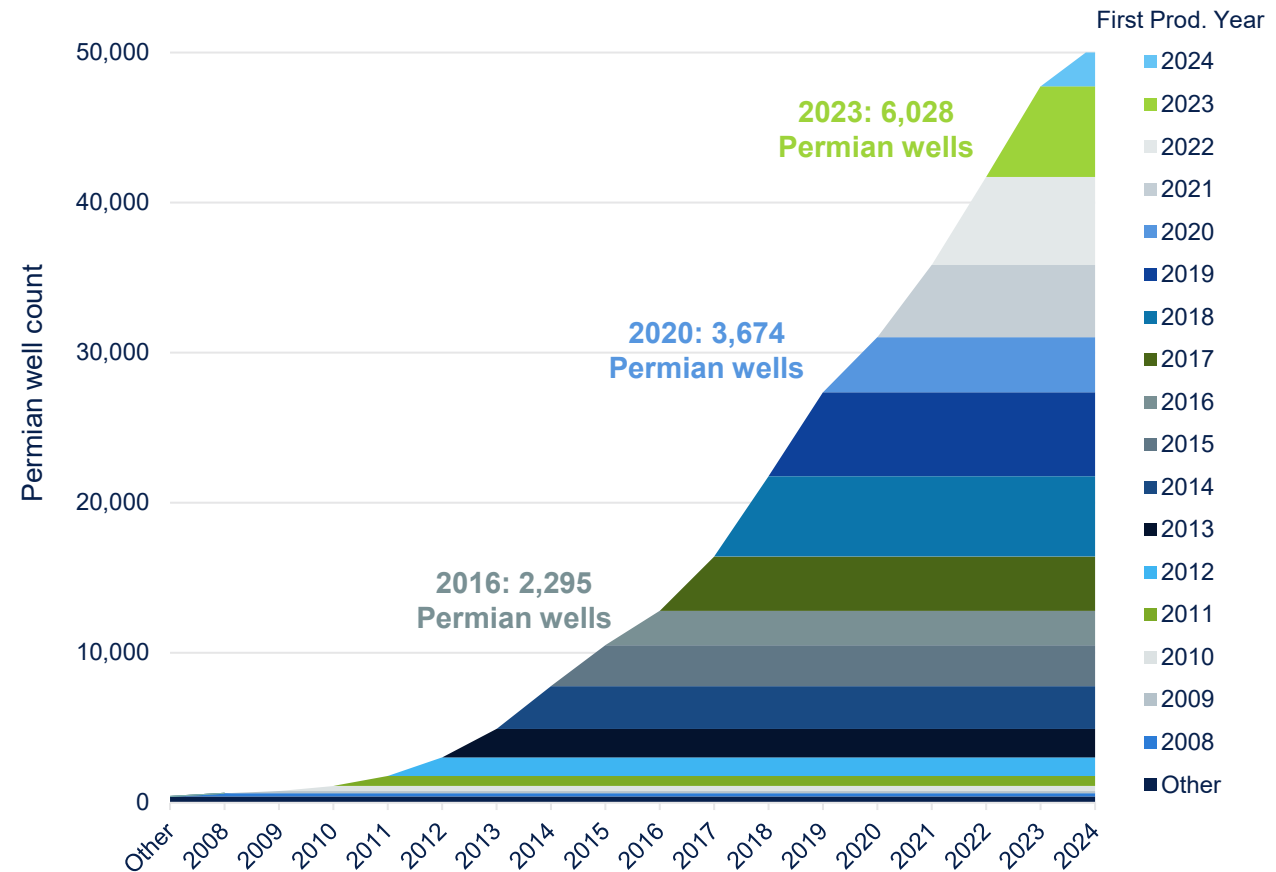
Macro trend: Record 6,000 wells turned in line in the Permian in 2023

Permian operators delivered a record number of wells in 2023, pushing the basin total over 50,000 horizontals

Well count by Basin and year



Permian well count by first production year

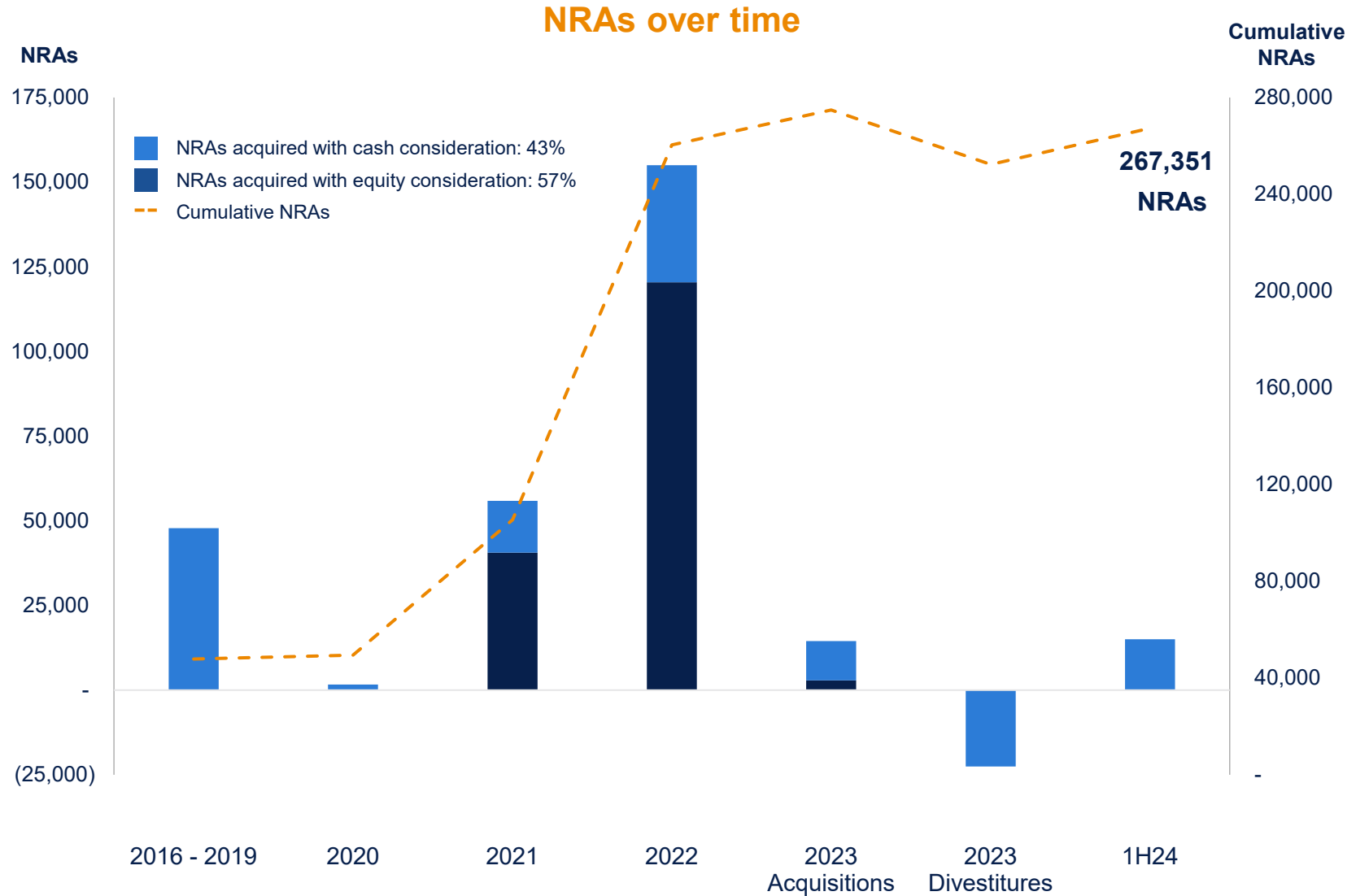


Source: Novi Labs. Data filtered to horizontal wells only and charted by year of first production. US Lower 48 only.

Sitio Acquisitions

Disciplined acquisition approach through the cycles

- › Proactive, relationship-driven strategy
- › IRR-driven underwriting
- › Balanced acquisition funding
- › Lookbacks and new data inform future assumptions



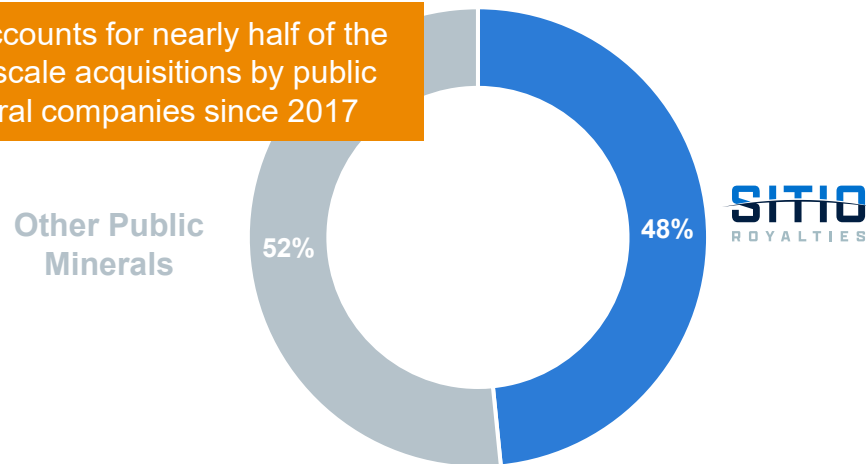
Differentiated large-scale acquisition strategy

STR's proven track record of accretive acquisitions

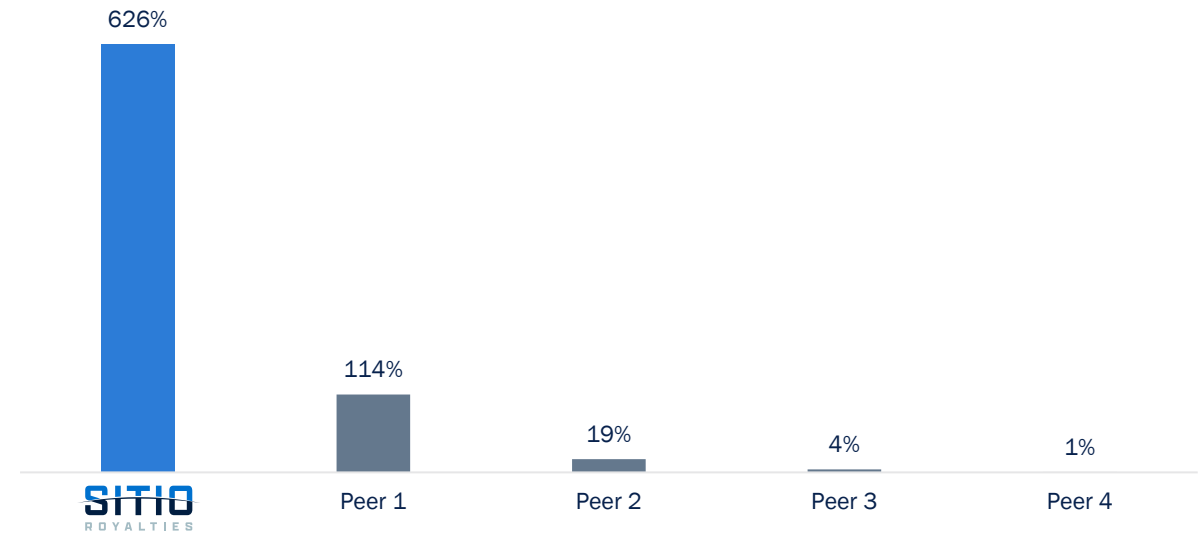
	Total since inception	2Q24 ⁽¹⁾
Number of NRAs evaluated	1,965,000+	130,000+
NRAs acquired	289,000+	14,996
Number of acquisitions	201	7

Acquisitions of \$150mm+ by publicly-traded minerals companies⁽²⁾

Sitio accounts for nearly half of the large-scale acquisitions by public mineral companies since 2017



NRA growth since 2019⁽³⁾



Since 2021, ~88% of Sitio deals over \$150mm were privately negotiated, while all peer deals over \$150mm were marketed processes

Note: Other Public Minerals and Peers include BSM, KRP, TPL and VNOM. TPL NRAs pro forma for acquisition announced 8/27/24

(1) Includes DJ Basin Acquisition that closed on 4/4/2024

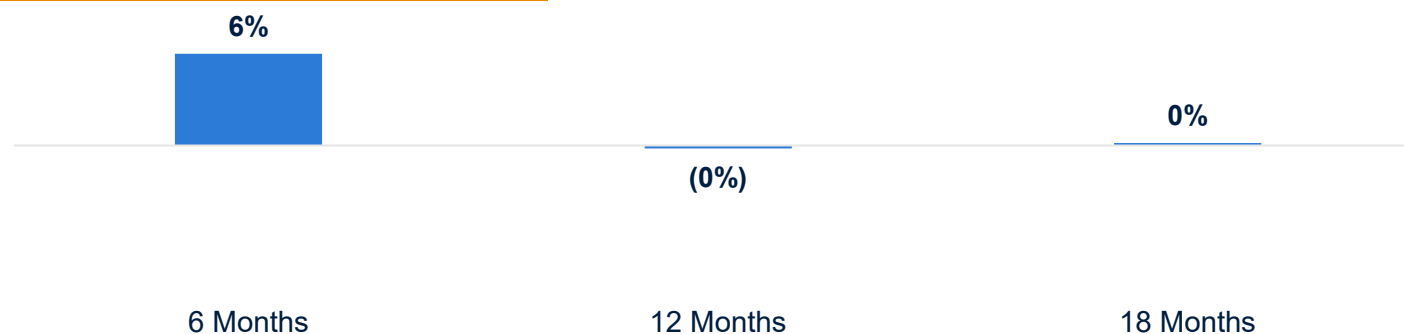
(2) Percent weighed by total dollar value of acquisitions

(3) NRA growth as reported.

Disciplined underwriting results in outperformance

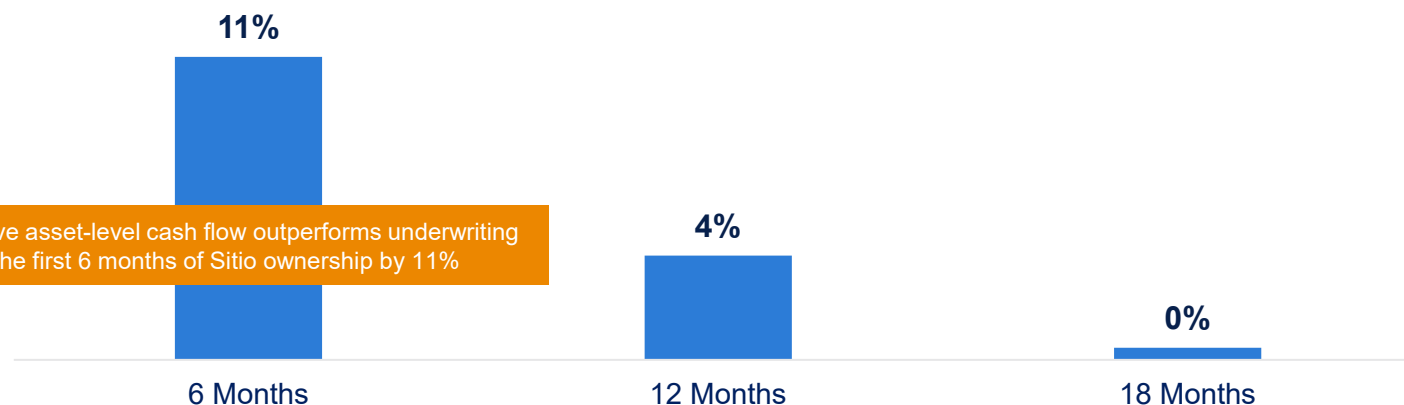
Cumulative production outperformance from acquisitions made since 2021

Cumulative volumes outperform underwriting for the first 6 months of Sitio ownership by 6%



Cumulative asset-level cash flow outperformance from cash acquisitions since 2021

Cumulative asset-level cash flow outperforms underwriting for the first 6 months of Sitio ownership by 11%



Acquisition evaluation process

Full GIS & geologic analysis of asset location, key operators, inventory potential and overall quality



Engineering forecast for all producing wells and all remaining inventory



Data driven development timing estimates



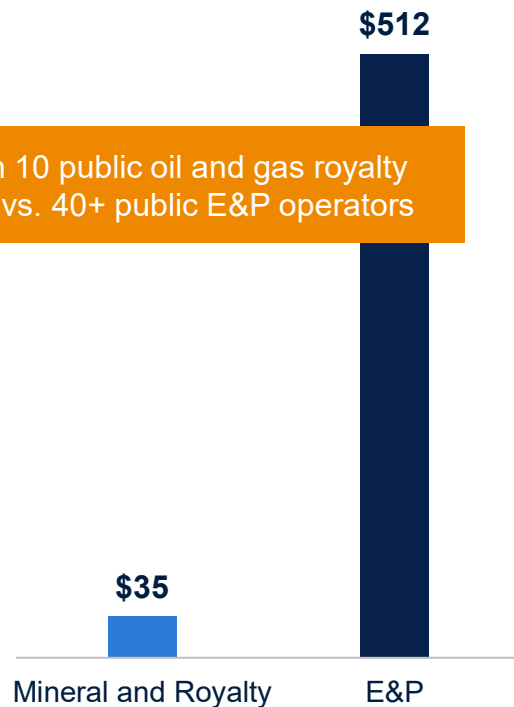
IRR analysis sensitizes commodity prices, development timing and remaining locations

Minerals consolidation is in the early innings

Sitio is well positioned to consolidate the fragmented minerals market

Total combined market capitalization (\$bn)⁽¹⁾

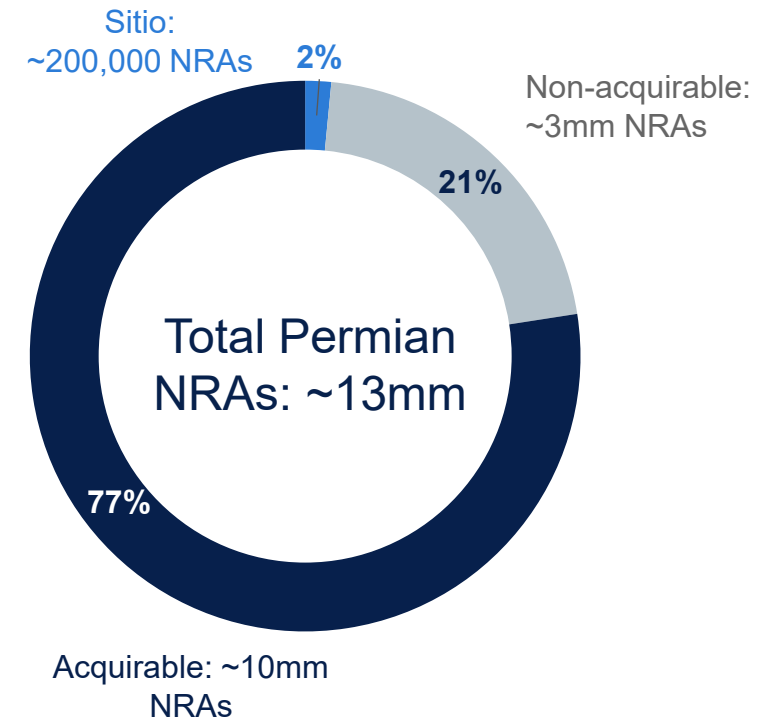
Fewer than 10 public oil and gas royalty companies vs. 40+ public E&P operators



Estimated total royalty payments in the U.S.⁽²⁾



Estimated Permian Basin NRA ownership⁽³⁾



(1) See Appendix for definitions of Mineral and Royalty companies and E&P companies. Market cap calculated using 8/6/24 share price and most recent publicly available share counts

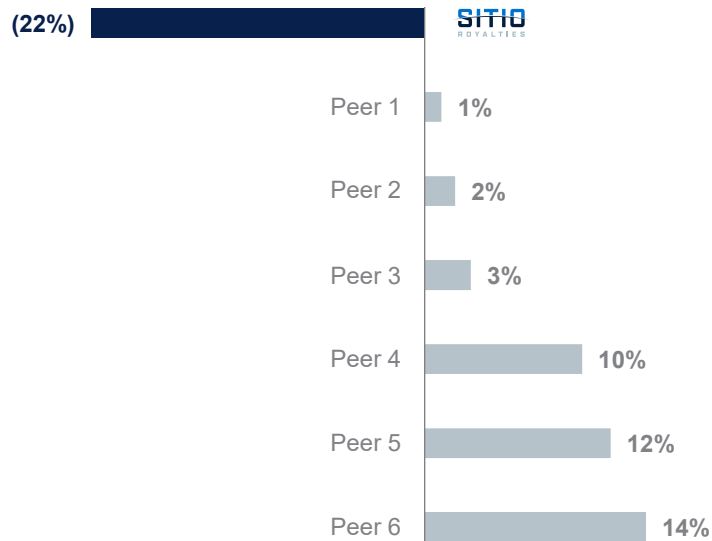
(2) Total U.S. oil and gas royalty revenue is calculated using last twelve months from March of 2024 of EIA monthly oil and gas production data, multiplying by average monthly WTI and HHUB spot prices according to the EIA. Royalty payments calculated assuming an average lease royalty of 18.75% and that 20% of oil and gas production occurs on federal acreage where all royalties go to the government. PHX royalty revenue as of 12/31/2023

(3) Latest publicly reported data as of 8/7/24. Acquirable acreage defined as any acreage in which Sitio can purchase mineral rights or NPRIs that are not owned by CVX, TPL or VNOM. Non-acquirable acreage is comprised of federal and state-owned minerals and royalties where the government does not sell minerals or NPRIs and minerals owned by CVX, TPL and VNOM. CVX mineral ownership based on calculating the surface acreage of CVX minerals ownership in Culberson, Loving and Reeves counties and applying a 12.5% royalty interest. Assumes maximum royalty interest of 25% on all gross acres, adjusted to 1/8th royalty equivalent basis

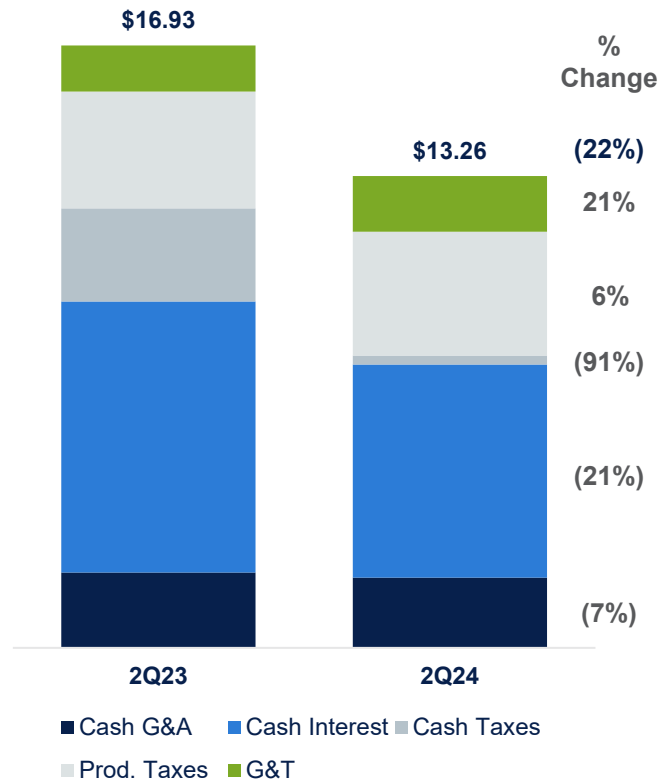
Margins increase with scale

Unique cost structure enables scale without linear increase in cash expenses

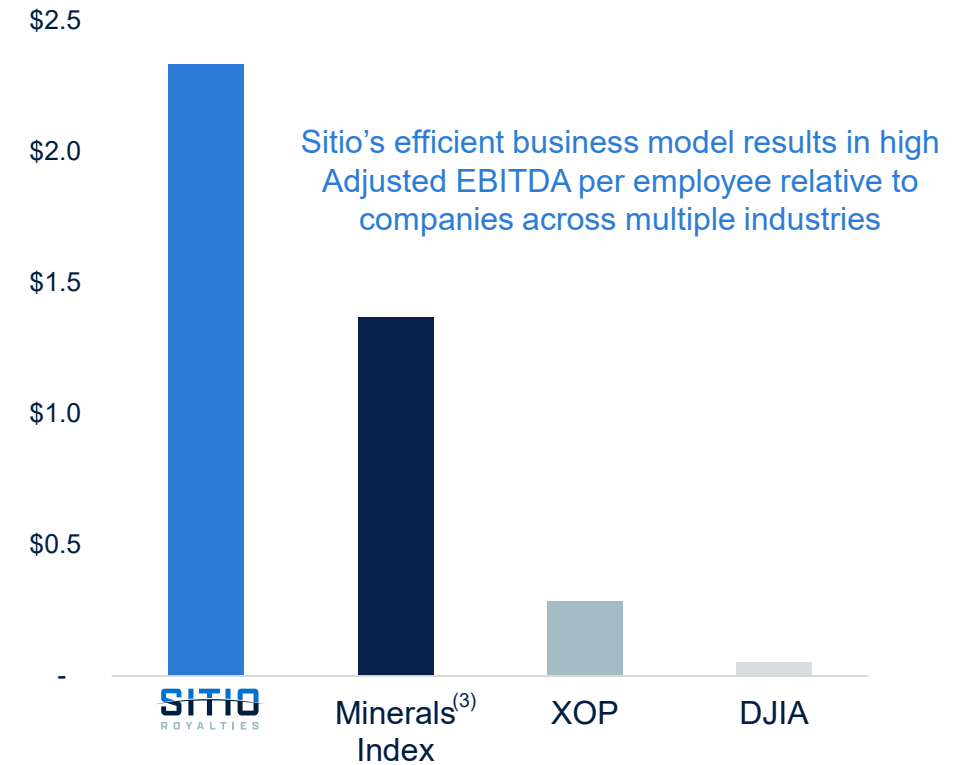
Change in Cash Costs per boe⁽¹⁾
2Q24 vs 2Q23 (\$/boe)



STR Costs per boe
(\$/boe)



A leader in Adjusted EBITDA per employee⁽²⁾
(\$mm)



Since 2019, STR has decreased cash G&A / boe by 67% while increasing its acreage footprint by >450%

Note: Adjusted EBITDA and Cash G&A are non-GAAP measures. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations. FRU and PSK cash costs converted to USD.

(1) Minerals peers include BSM, FRU, KRP, PSK, TPL and VNOM

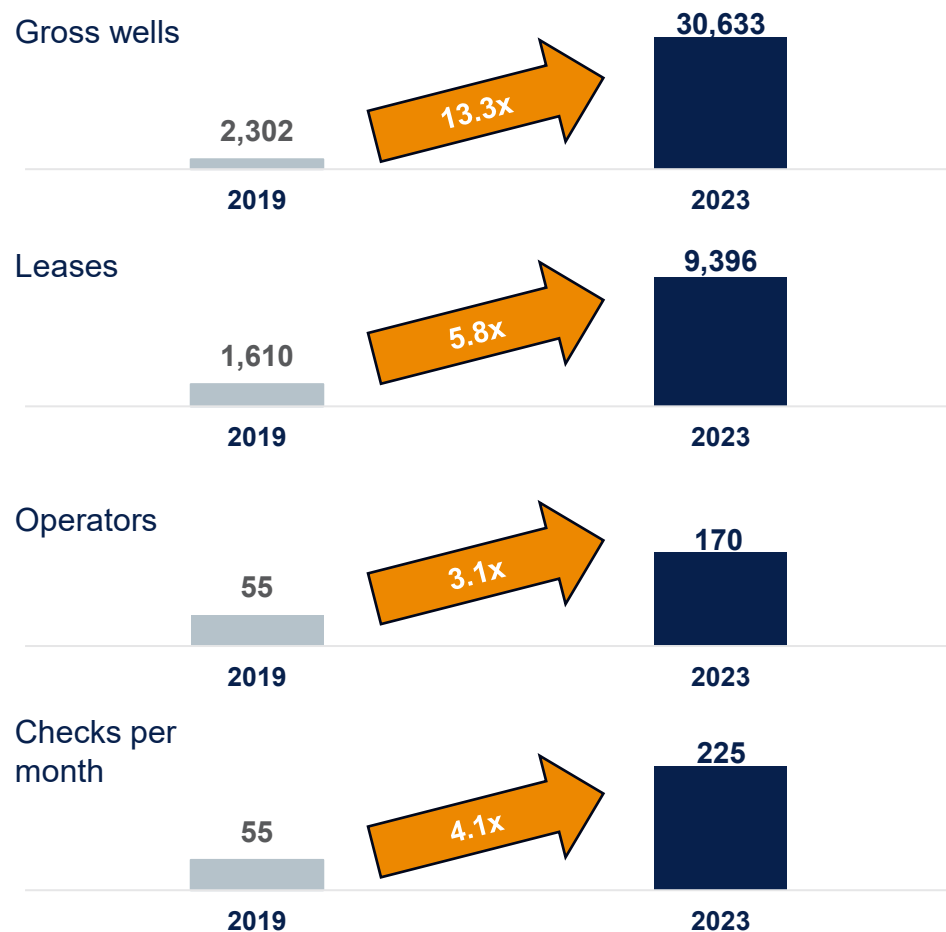
(2) Source: Company filings and FactSet as of 8/7/24. XOP and DJIA Index latest reported quarterly Adjusted EBITDA per employee weighted by market capitalization as of 8/6/24; STR employee headcount as of 6/30/24

(3) See Appendix for Minerals Index definition

Sitio Minerals Management

Sitio Minerals Management is a complex data management effort

Sitio has developed custom data management and automation tools to receive, validate, analyze and process complex data. No “out of the box” software solution exists for the oil & gas minerals industry



- › Sitio often acquires multiple interests in the same properties at multiple points in time
- › Results in Sitio tracking 46,000+ interests across 30,000+ wells
- › Each lease tracked to ensure proper payments under individual lease terms
- › Even with upstream industry consolidation, Sitio receives payments from 170 remitters each month
- › Average Sitio check has ~6,600 lines of data to process each month

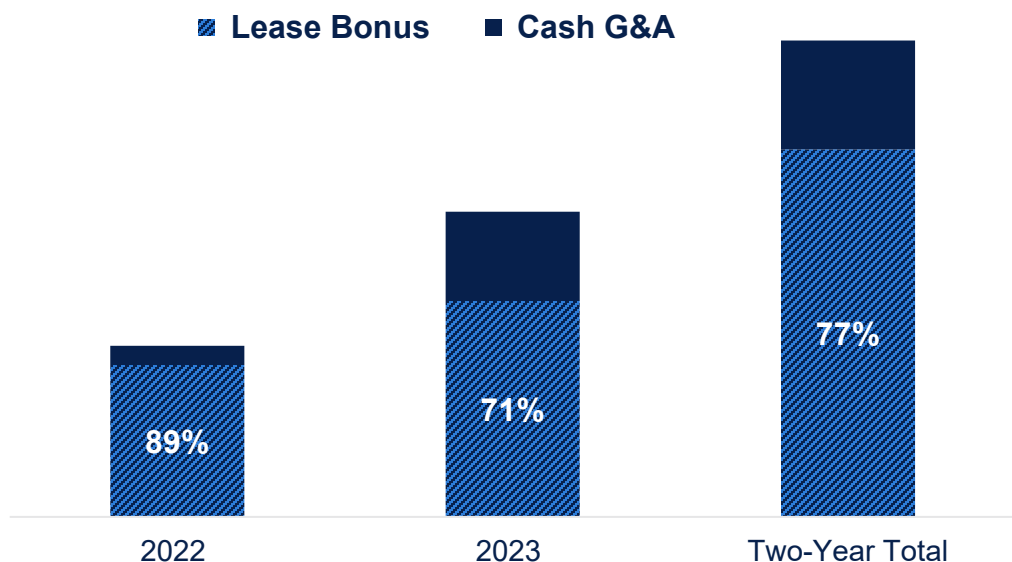
Sitio Minerals Management creates additional value

Sitio acts as the permanent owner of the minerals it acquires, leading to greater revenue realizations

> Proactive, outbound leasing efforts

- Sitio does not underwrite any lease bonus revenue when acquiring minerals
- Accordingly, lease bonus amounts received post-acquisitions increase returns

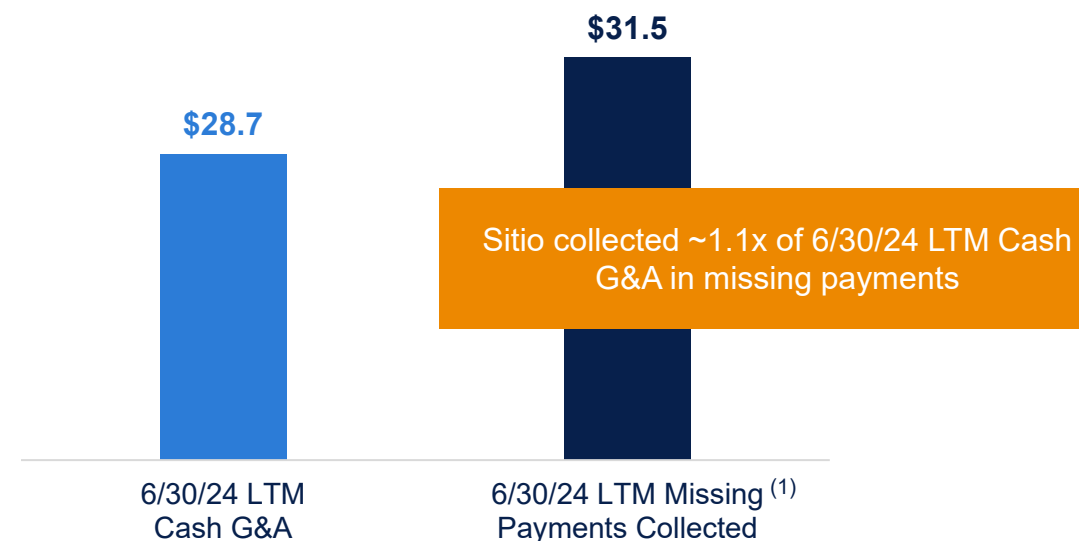
Lease bonus as % of Cash G&A



> Data analytics and engagement with operators to ensure timely and accurate payments

- Granular tracking of missing payments by operator, by well, by production month, by commodity

6/30/24 LTM Cash G&A versus collected missing payments (\$mm)

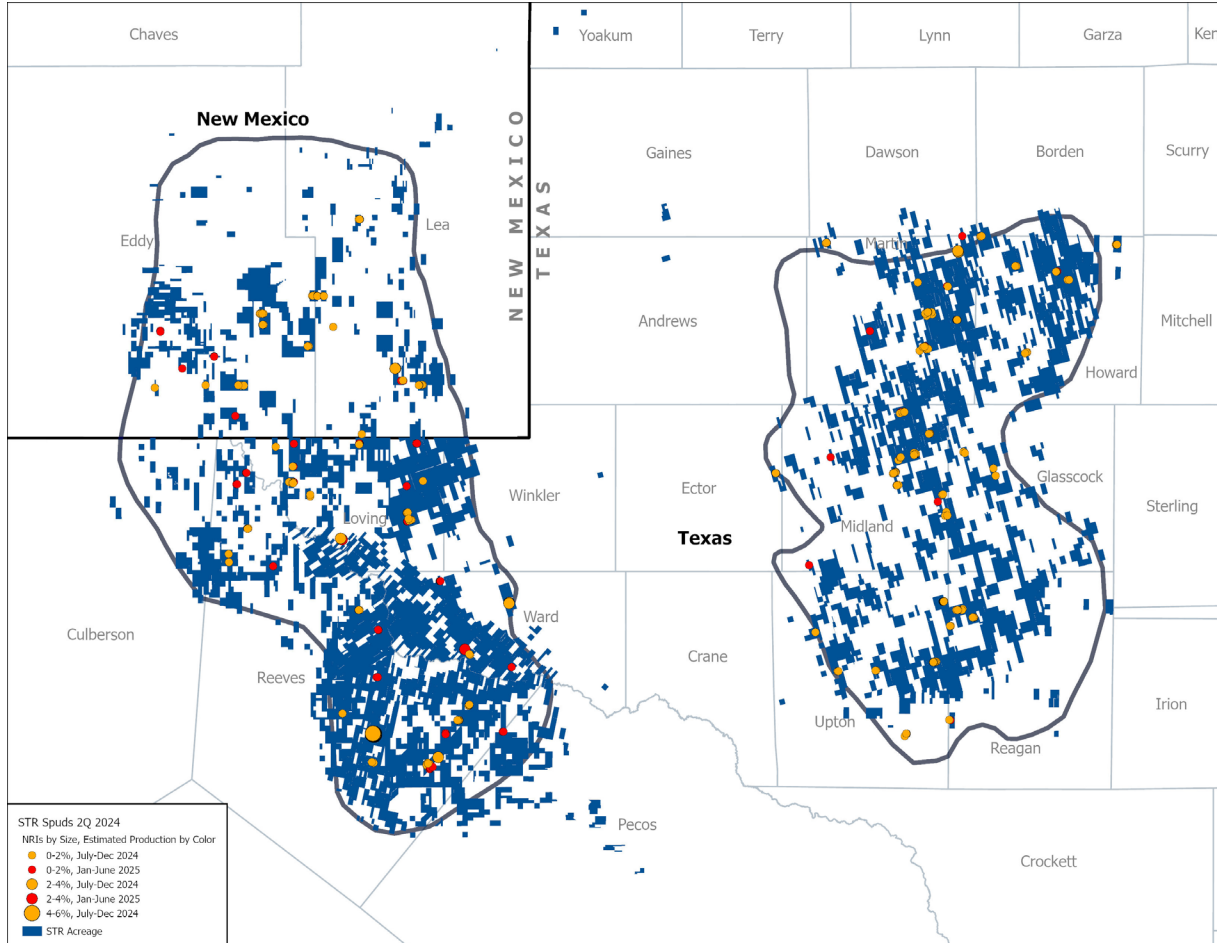


Note: Cash G&A is a non-GAAP measure. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations
(1) July 2023 through June 2024

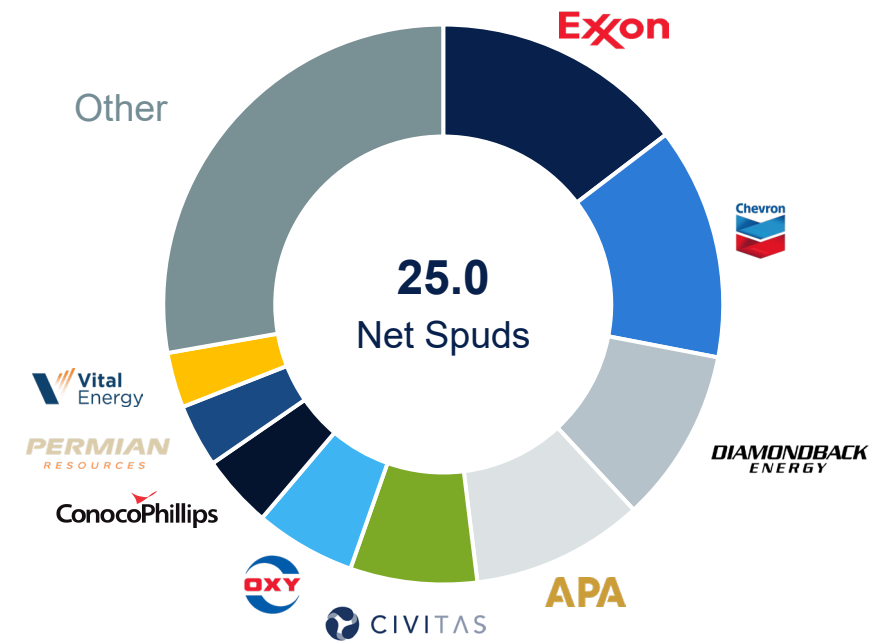
Current E&P company drilling activity on STR acreage provides near-term production visibility

Spud wells on STR's acreage convert to producing wells within 6-9 months of the spud date on average

Spud wells on STR's Permian acreage



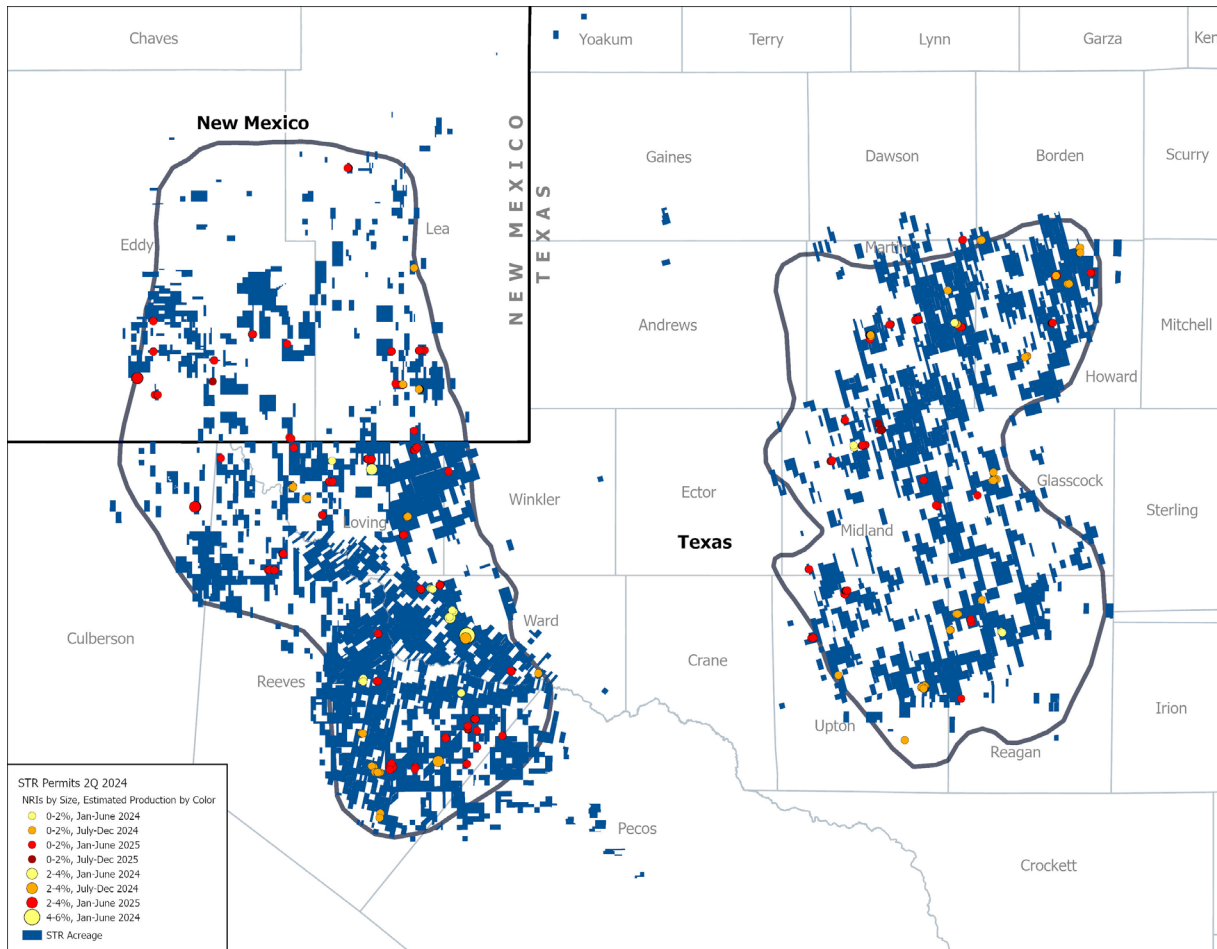
Net spud wells



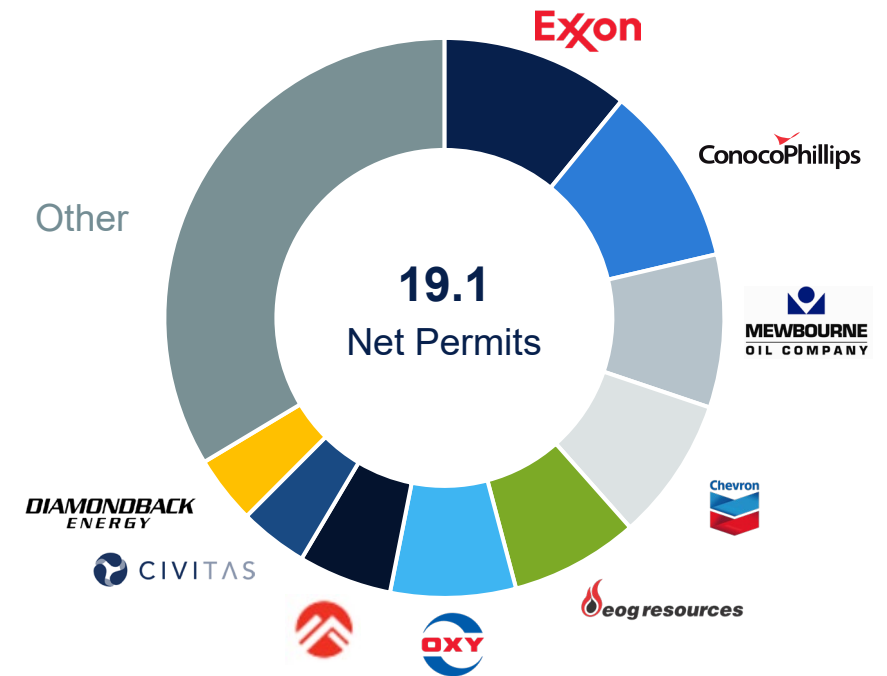
E&P company well permitting activity on STR's acreage provides additional production visibility

Permitted wells on STR's acreage convert to producing wells within 12-15 months of the initial permit date on average

Permit wells on STR's Permian acreage



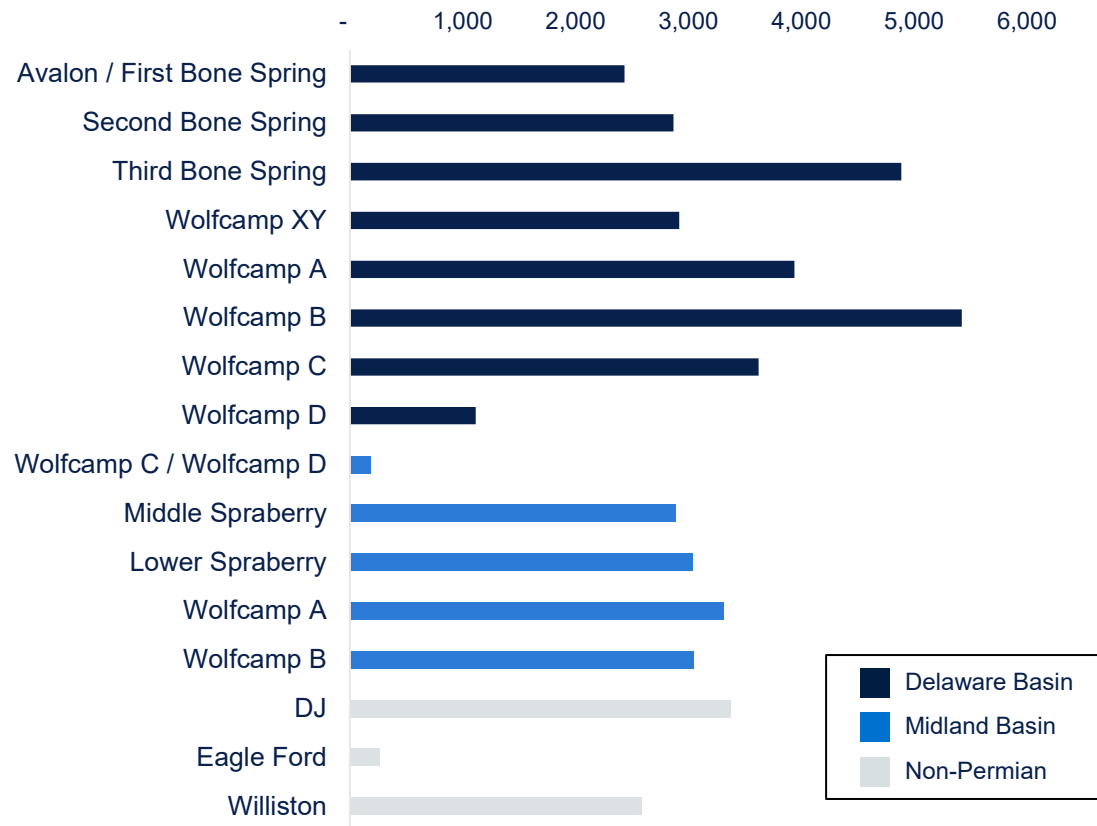
Net permit wells



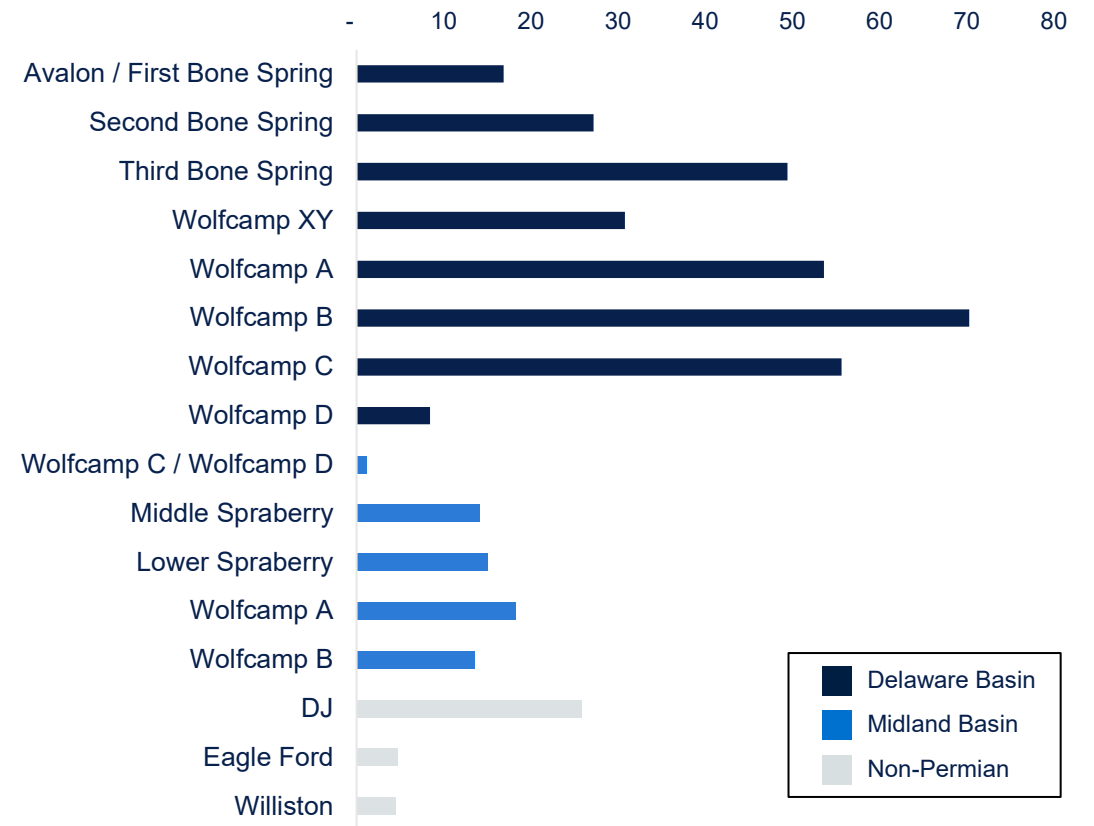
E&P companies have significant remaining drilling inventory on Sitio's acreage

Operators have drilled ~5,100 – 6,100 5k' normalized wells per year on Sitio's acreage of the past 3 years

Gross normalized remaining inventory
45,898 total



Net normalized remaining inventory
409.5 total

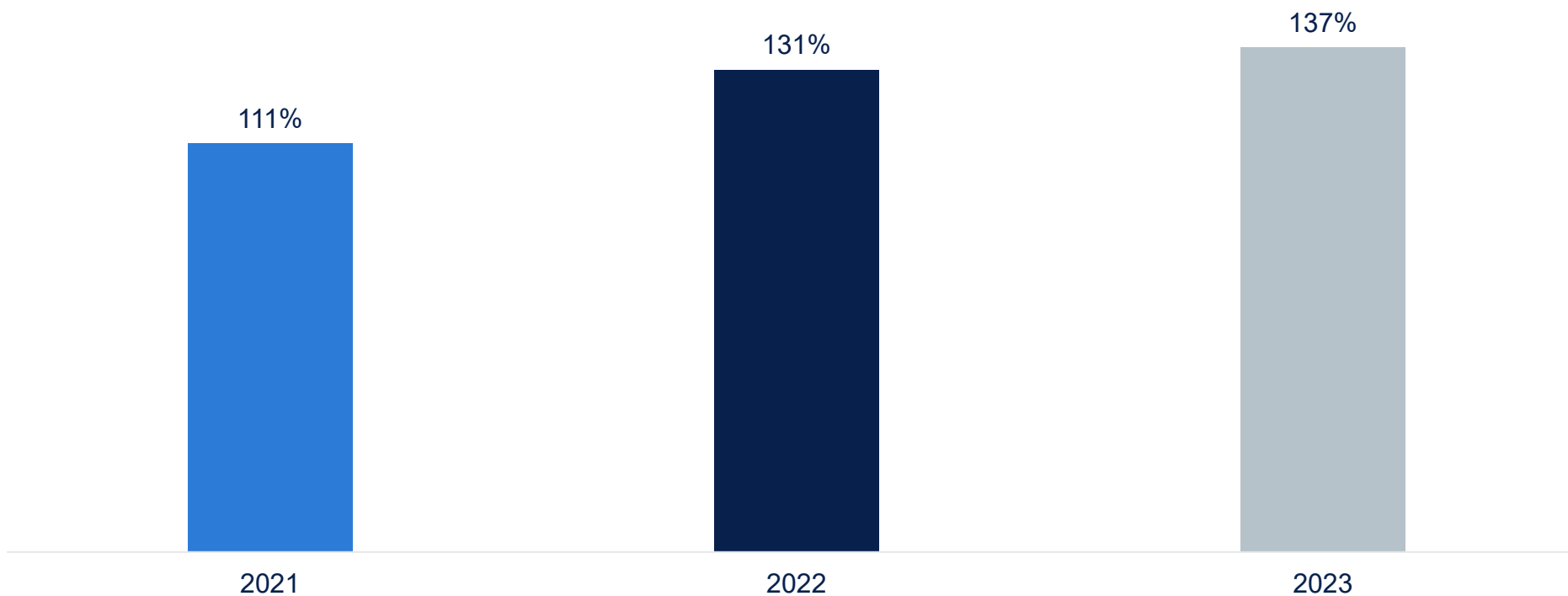


Note: inventory numbers as of 6/30/24, excludes the spuds and permits on Sitio acreage

Sitio's organic reserves growth has outpaced production

Sitio's organic reserves replacement ratio over the past three years has been greater than 100%, indicating base assets are still growing, even without taking into account acquisitions or incremental capex spend

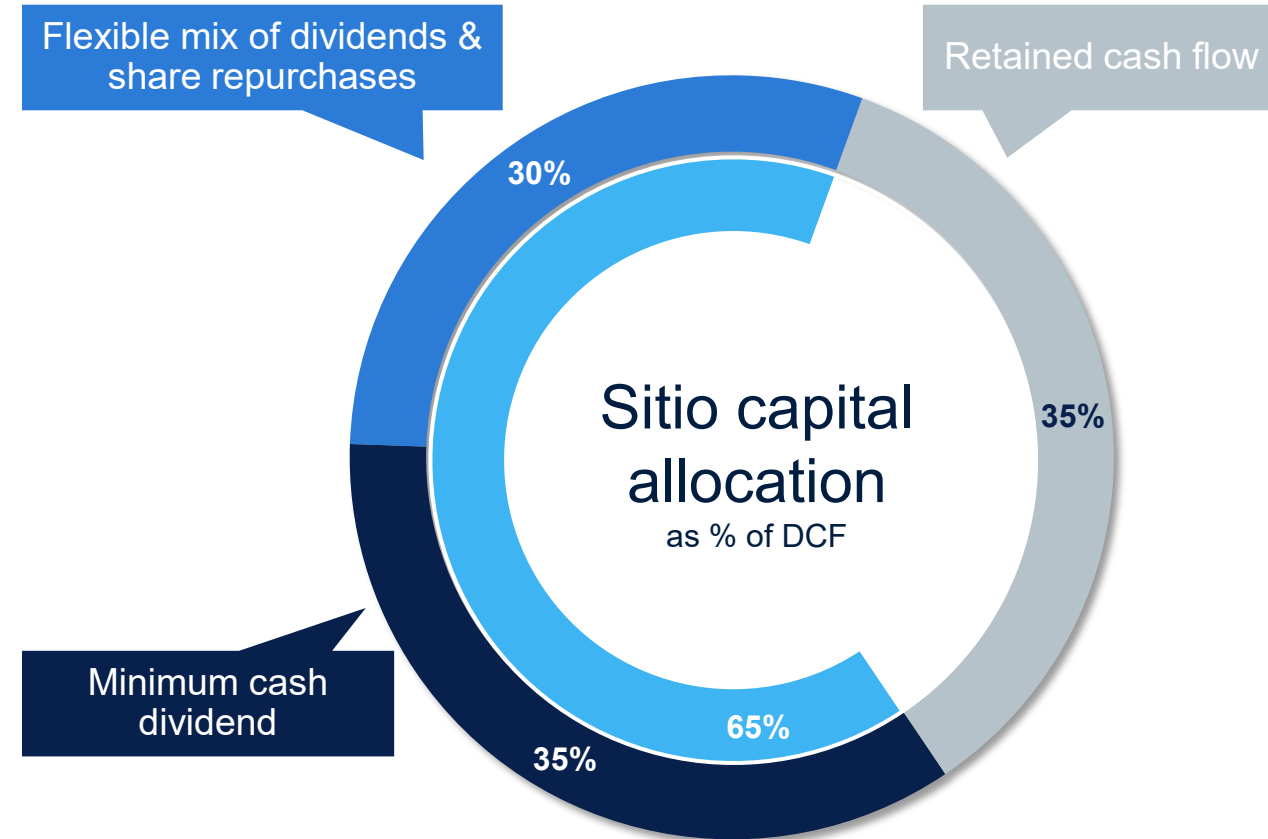
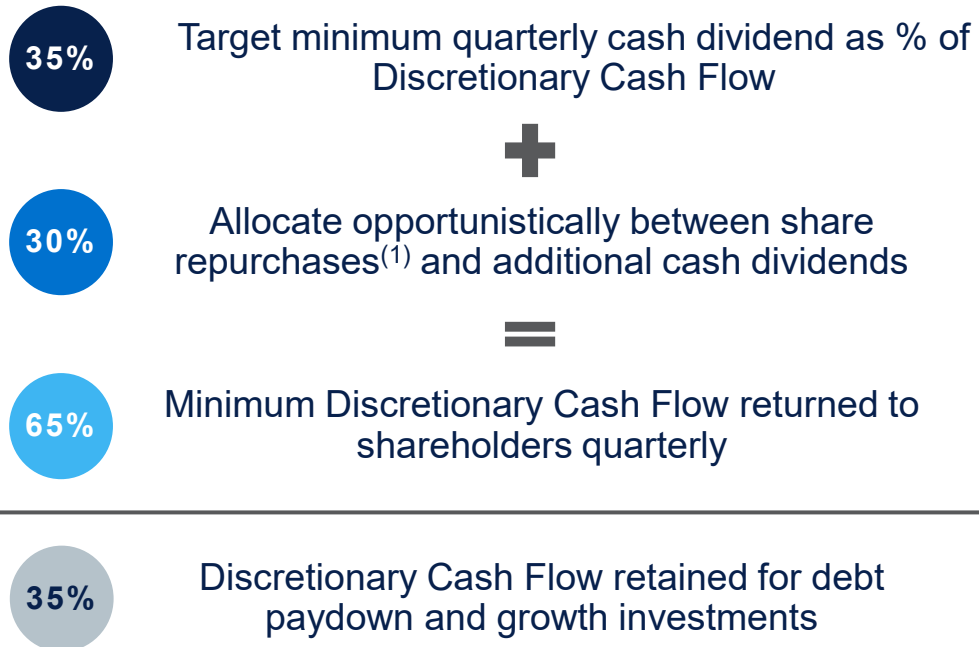
STR's Organic Reserves Replacement Ratio



Financial Strategy

Balanced capital allocation framework maximizes shareholder returns

Framework returns at least 65% of Discretionary Cash Flow to shareholders



Note: DCF is a non-GAAP measure. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations

(1) Share repurchases to be executed at the discretion of the Company and through a variety of methods. The Company is not obligated to purchase any dollar amount or number of shares under the repurchase program

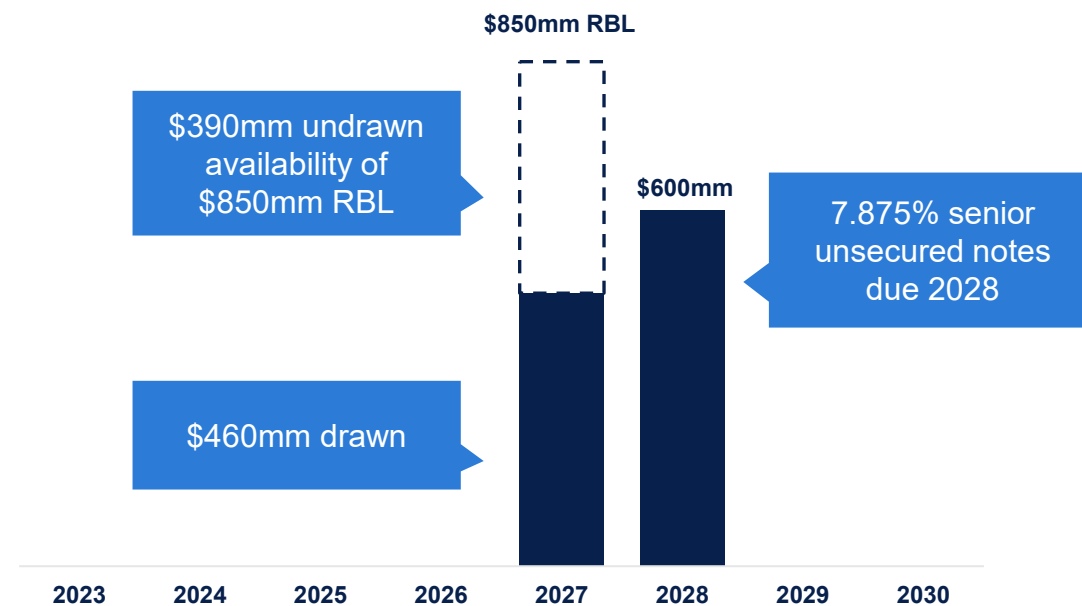
Strong balance sheet and financial flexibility

Focus on maximizing value while maintaining a conservative and financially flexible capital structure

Capitalization as of 6/30/24 (\$mm)

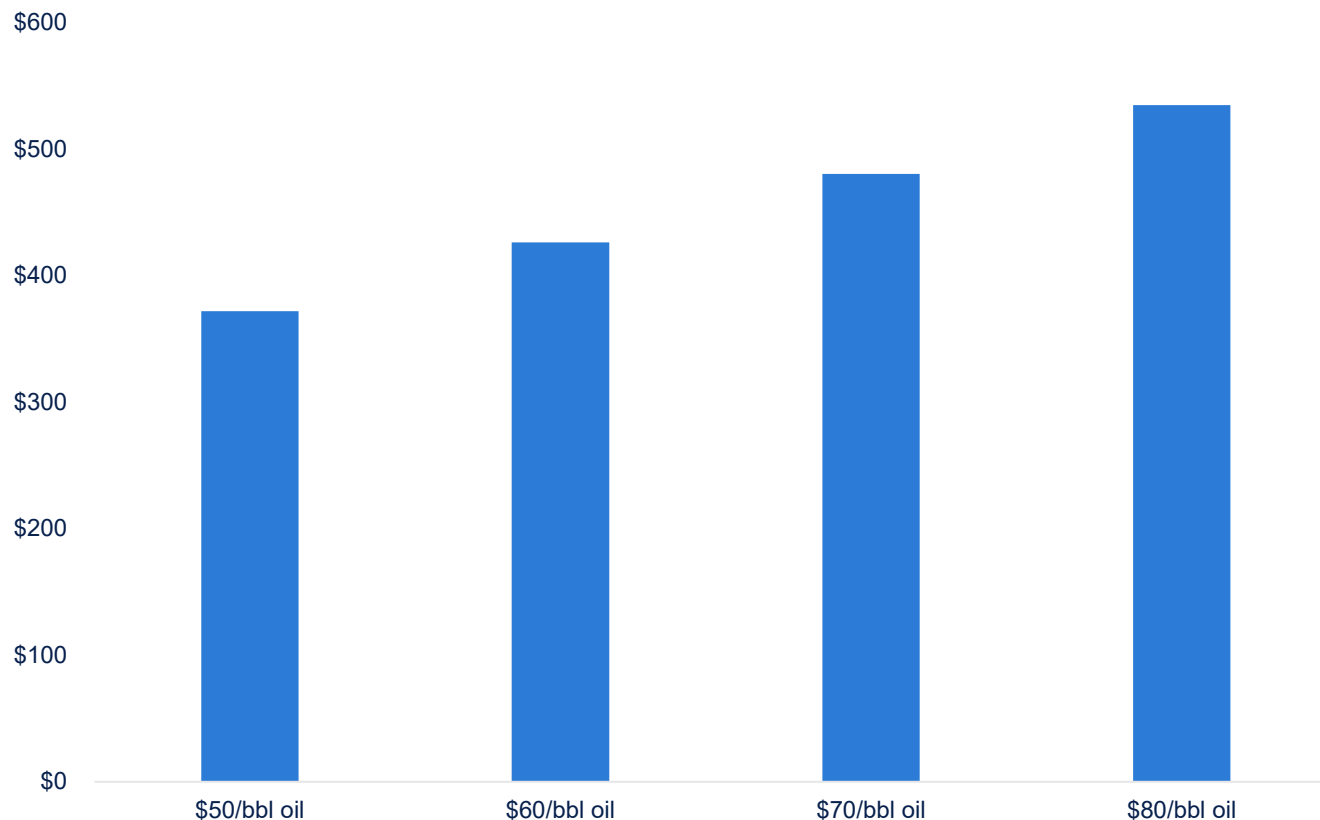
Cash	\$16
Revolving credit facility	460
Senior notes due 2028	600
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Total debt	\$1,060
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Net debt	\$1,044
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Revolver borrowing base	\$850
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Liquidity	\$406

Debt maturity profile as of 6/30/24 (\$mm)



STR Adjusted EBITDA at various oil prices

Illustrative 2024E Adjusted EBITDA at various oil prices (\$mm)⁽¹⁾



2024E Adjusted EBITDA sensitivity

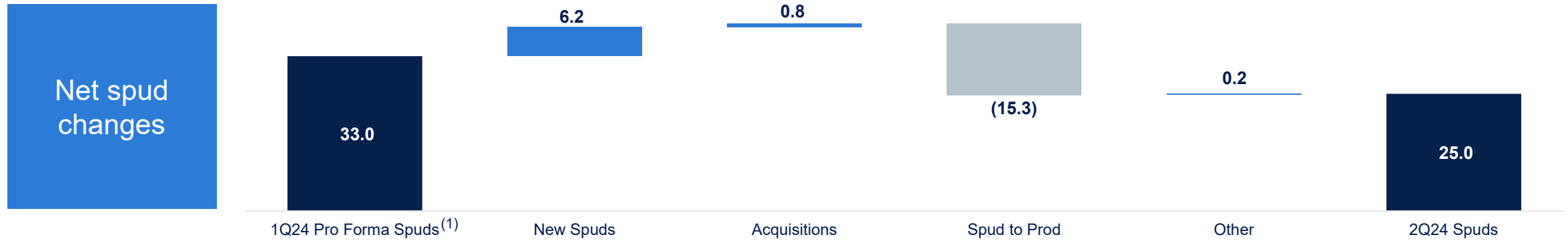
Oil +/- \$10/Bbl	\$54mm
Gas +/- \$0.50/Mcf	\$4mm
NGL +/- 5% of WTI	\$3mm

Note: Adjusted EBITDA is a non-GAAP measure. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations

(1) All scenarios assume referenced oil prices for the entire 2024 and \$2.50/mcf gas prices, regardless of 1H 2024 actual results. Oil and NGL differentials as a percentage of WTI oil and gas as a percentage of Henry Hub, GP&T as a dollar per Boe, production taxes, as a % of revenue and total Cash G&A are the same as reported 1H 2024 financials. For 2H 2024, oil, gas and NGL differentials as a percentage of benchmark prices are the same as 1H 2024 actuals, production taxes, production, and Cash G&A are the midpoints of full year 2024 guidance issued on 8/7/24

Appendix

Sitio continues to see active organic operator development

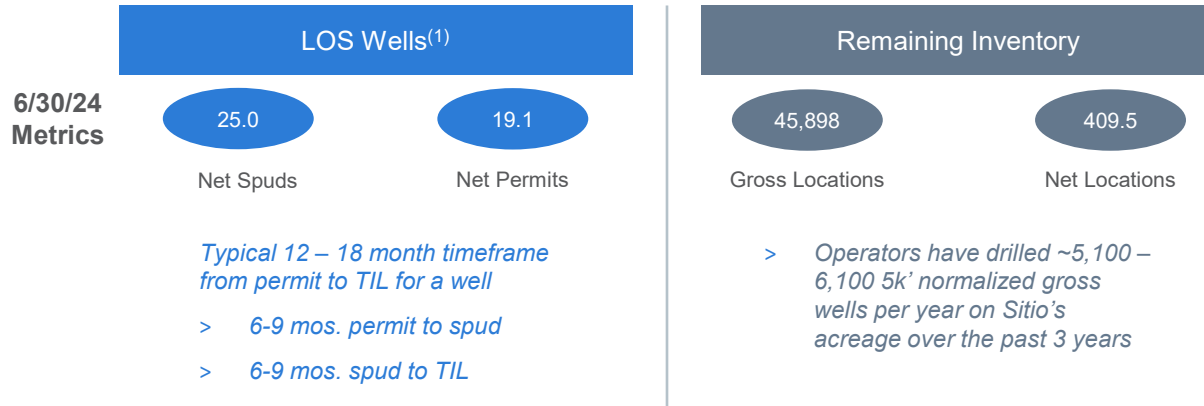


Note: Well counts normalized to 5,000'

(1) Pro forma metrics include net wells from the DJ Basin Acquisition

Production forecasting considerations

Well metrics and remaining inventory



Diverse operator mix and blue-chip top operators



Other considerations

- > **Net Revenue Interest (NRI):** Sitio has an average NRI of 0.8%, however the NRIs of individual wells TIL can vary. Sitio's net production can differ significantly depending on the NRI of wells TIL for a period, even if the gross wells TIL is constant. This makes forecasting individual quarters more challenging than taking a longer-term perspective
- > **Rig Count vs. Completion Activity:** While it is a common industry practice to use rig count as a proxy for activity, production growth is driven by spuds / DUCs being completed and TIL, which are not necessarily in-line with rig activity. Additionally, incremental efficiency measures by operators further complicate the relationship between rig count and production trends
- > **Reported Financial Production:** Sitio's quarterly financial production is comprised of both estimates of volumes produced during the applicable quarter and prior period adjustments to previously accrued production volumes due to the multi-month lag in well production data from operators

Note: CVX pro forma for HES, FANG pro forma for Endeavor, COP pro forma for MRO, and DVN pro forma for Grayson Mill. Inventory numbers exclude the Spuds and Permits on Sitio acreage

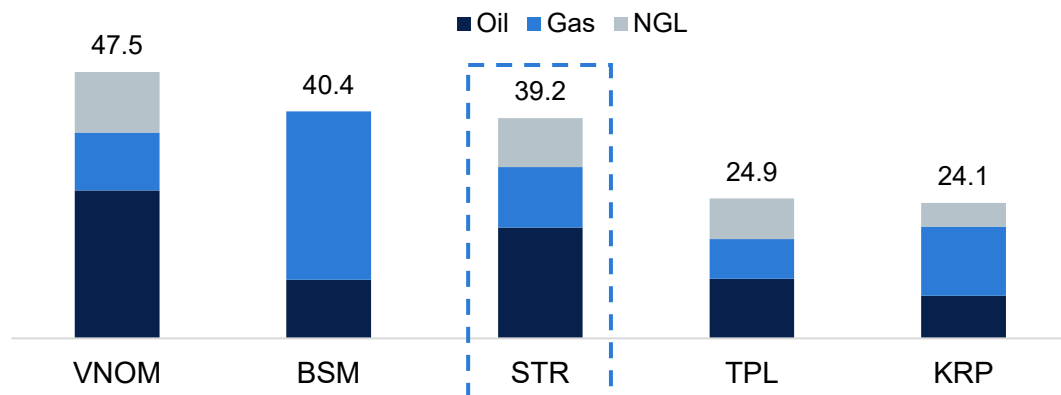
(1) Sitio discloses LOS wells using public data definitions; there is typically an approximate 4-month data lag, so a portion of wells listed as spuds and permits are actually online; All wells normalized to 5,000' basis

(2) Pro forma production for 2Q24 includes production for all acquisitions closed in 2Q24

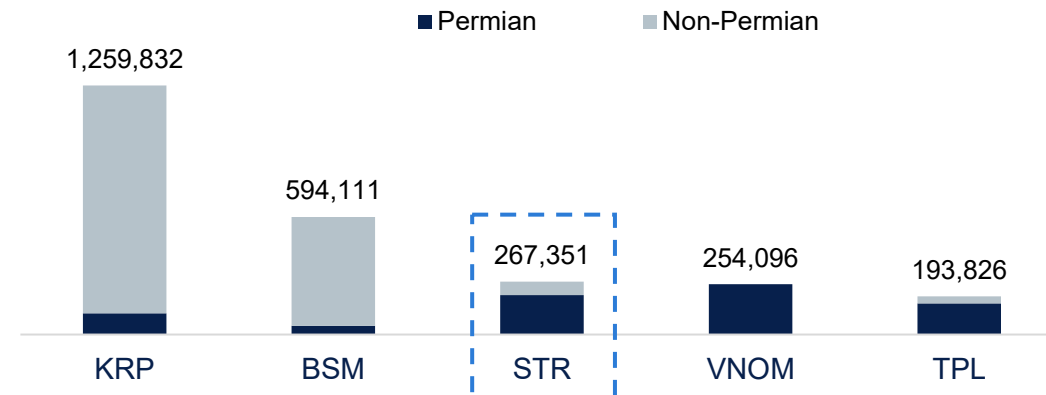
(3) Pro forma gross horizontal wells by operator include wells from all announced acquisitions and are normalized to 5,000' as of 6/30/24

Selected mineral and royalty company benchmarking

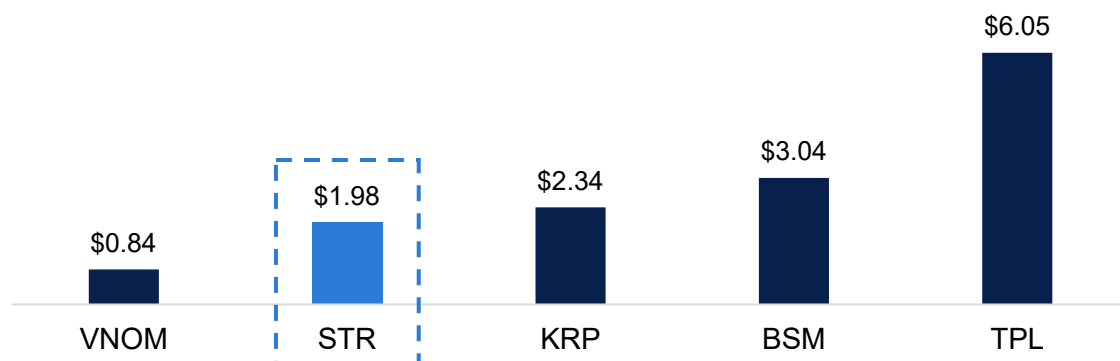
2Q24 Production (Mboe/d)⁽¹⁾



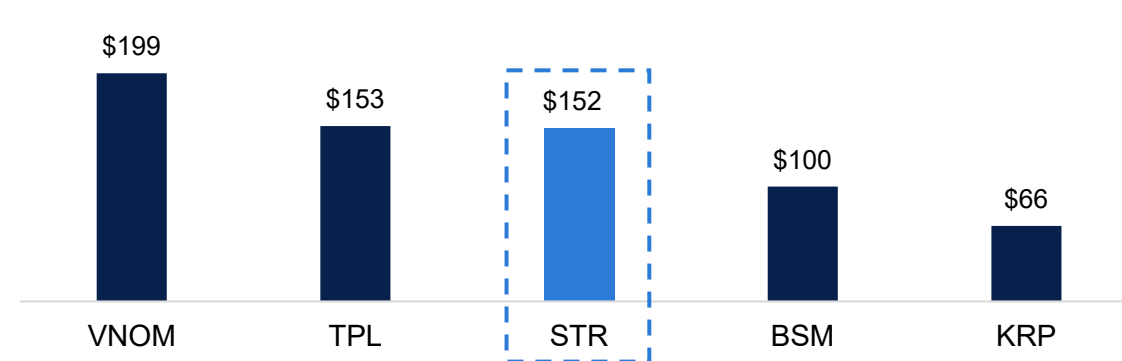
NRAs



2Q24 Cash G&A (\$/boe)⁽³⁾



2Q24 Adjusted EBITDA (\$mm)⁽⁴⁾



Note: Cash G&A and Adjusted EBITDA are non-GAAP measures. See Appendix for definitions of non-GAAP measures used and non-GAAP reconciliations. Peer data from most recent company filings as of 8/27/24

(1) BSM NGLs are included in gas production

(2) TPL Permian NRAs pro forma for acquisition announced 8/27/24 and calculated as sum of Midland and Delaware Basin NRAs normalized to 1/8th royalty interest. KRP Permian NRAs calculated as sum of Midland and Delaware Basin NRAs

(3) TPL Cash G&A is calculated as general and administrative expenses plus salaries and related employee expenses minus share-based compensation

(4) Adjusted EBITDA for peers as reported

Commodity derivatives as of 6/30/24

	FY2024	1H2025
Oil swaps		
Bbl per day	3,300	1,100
Average price (\$/bbl)	\$82.66	\$74.65

	FY2024	1H2025
Oil collars		
Bbl per day	-	2,000
Average call (\$/bbl)	-	\$93.20
Average put (\$/bbl)	-	\$60.00

	FY2024	1H2025
Natural Gas swaps		
MMBtu per day	500	-
Average price (\$/mmbtu)	\$3.41	-

	FY2024	1H2025
Natural Gas collars		
MMBtu per day	11,400	11,600
Average call (\$/mmbtu)	\$7.24	\$10.34
Average put (\$/mmbtu)	\$4.00	\$3.31

Non-GAAP definitions and reconciliations

Adjusted EBITDA (\$000s)

	Three Months Ended June 30,	
	2024	2023
Net income (loss)	\$ 29,041	\$ (2,973)
Interest expense, net	22,688	23,159
Income tax expense (benefit)	4,838	(683)
Depreciation, depletion and amortization	85,485	74,239
Impairment of oil and gas properties	—	25,617
EBITDA	\$ 142,052	\$ 119,359
Non-cash share-based compensation expense	6,203	5,422
Losses on unsettled derivative instruments	3,329	1,140
Change in fair value of warrant liability	—	(584)
Merger-related transaction costs	24	1,814
Adjusted EBITDA	\$ 151,608	\$ 127,151

Non-GAAP definitions and reconciliations

Discretionary Cash Flow (\$000s)

	Three Months Ended June 30,	
	2024	2023
Cash flow from operations	\$ 97,312	\$ 103,852
Interest expense, net	22,688	23,159
Income tax expense (benefit)	4,838	(683)
Deferred tax benefit	3,256	10,172
Changes in operating assets and liabilities	24,799	(9,715)
Amortization of deferred financing costs and long-term debt discount	(1,309)	(1,448)
Merger-related transaction costs	<u>24</u>	<u>1,814</u>
Adjusted EBITDA	<u>\$ 151,608</u>	<u>\$ 127,151</u>
Less:		
Cash and accrued interest expense	21,385	24,040
Estimated cash taxes	<u>875</u>	<u>8,261</u>
Discretionary Cash Flow	<u>\$ 129,348</u>	<u>\$ 94,850</u>

Non-GAAP definitions and reconciliations

Discretionary Cash Flow (\$ 000)

	Three Months Ended March 31,	
	2024	2023
Cash flow from operations	\$ 120,740	\$ 128,825
Interest expense, net	18,510	22,203
Income tax expense	2,784	7,184
Deferred tax benefit (expense)	4,238	(2,751)
Changes in operating assets and liabilities	(9,927)	(14,848)
Amortization of deferred financing costs and long-term debt discount	(1,294)	(1,345)
Merger-related transaction costs	<u>56</u>	<u>779</u>
Adjusted EBITDA	<u>\$ 135,107</u>	<u>\$ 140,047</u>
Less:		
Cash and accrued interest expense	17,210	19,515
Estimated cash taxes	<u>8,375</u>	<u>550</u>
Discretionary Cash Flow	<u>\$ 109,522</u>	<u>\$ 119,982</u>
DJ Basin Acquisition Discretionary Cash Flow	<u>8,550</u>	<u>—</u>
Pro Forma Discretionary Cash Flow	<u>\$ 118,072</u>	<u>\$ 119,982</u>

Non-GAAP definitions and reconciliations

Cash G&A (\$000s)

	Three Months Ended June 30,	
	2024	2023
General and administrative expense	\$ 13,456	\$ 14,066
Less:		
Non-cash share-based compensation expense	6,203	5,422
Merger-related transaction costs	24	1,814
Rental income	<u>171</u>	<u>135</u>
Cash G&A	<u>\$ 7,058</u>	<u>\$ 6,695</u>

Non-GAAP definitions and reconciliations

Cash G&A (\$ 000)

Three Months Ended March 31,

	2024	2023
General and administrative expense	\$13,011	\$11,676
Less:		
Non-cash share-based compensation expense	5,104	4,684
Merger-related transaction costs	56	779
Rental income	141	106
Cash G&A	<u>\$7,710</u>	<u>\$6,107</u>

Non-GAAP definitions and reconciliations

Adjusted EBITDA, Discretionary Cash Flow, Cash G&A and Net Debt are non-GAAP supplemental financial measures used by our management and by external users of our financial statements such as investors, research analysts and others to assess the financial performance of our assets and their ability to sustain dividends over the long term without regard to financing methods, capital structure or historical cost basis. Sitio believes that these non-GAAP financial measures provide useful information to Sitio's management and external users because they allow for a comparison of operating performance on a consistent basis across periods.

We define Adjusted EBITDA as net income plus (a) interest expense, (b) provisions for taxes, (c) depreciation, depletion and amortization, (d) non-cash share-based compensation expense, (e) impairment of oil and natural gas properties, (f) gains or losses on unsettled derivative instruments, (g) change in fair value of the warrant liability, (h) loss on debt extinguishment, (i) merger-related transaction costs and (j) write off of financing costs. This presentation does not include a reconciliation for 2024E Adjusted EBITDA because certain elements of the comparable GAAP financial measures are not predictable in this situation, making it impractical for the Company to forecast.

We define Discretionary Cash Flow or ("DCF") as Adjusted EBITDA, less cash and accrued interest expense and estimated cash taxes for the three months ended June 30, 2024.

We define Cash G&A as general and administrative expense less (a) non-cash share-based compensation expense, (b) merger-related transaction costs and (c) rental income.

We define Net Debt as total debt less cash.

These non-GAAP financial measures do not represent and should not be considered an alternative to, or more meaningful than, their most directly comparable GAAP financial measures or any other measure of financial performance presented in accordance with GAAP as measures of our financial performance. Non-GAAP financial measures have important limitations as analytical tools because they exclude some but not all items that affect the most directly comparable GAAP financial measure. Our computations of Adjusted EBITDA, Discretionary Cash Flow, and Cash G&A may differ from computations of similarly titled measures of other companies.

Definitions

Minerals Index on page 12 is defined as BSM, KRP and TPL

Mineral and Royalty companies on page 14 include BSM, DMLP, KRP, PHX, STR, TPL and VNOM

E&P Companies referenced on page 14 include AMPY, APA, AR, BATL, BRY, CHK, CHRD, CIVI, CNX, COP, CRC, CRGY, CRK, CTRA, DVN, EOG, EPM, EQT, FANG, GPOR, HES, HPK, KOS, VTLE, MGY, MRO, MTDR, MUR, OVV, OXY, PR, REI, REPX, RRC, SD, SM, SWN, TALO, WTI

Cash costs include the following on page 18:

- STR: Cash G&A defined as general and administrative expense less non-cash share-based compensation, merger-related transaction costs and rental income; cash interest defined as cash interest paid in 2Q23 and cash and accrued interest expense for 2Q24; cash taxes are cash taxes paid in 2Q23 and estimated cash taxes in 2Q24; production taxes defined as severance and ad valorem taxes; G&T is contra revenue and therefore a deduction from gross revenue in STR's reported financials
- TPL: Cash G&A defined as reported general and administrative expenses plus salaries and related employee expenses less share-based compensation; current income tax expense reported in TPL's Free Cash Flow calculation; ad valorem and other taxes; water service-related expenses; legal and professional fees; capital expenditures as reported in TPL's Free Cash Flow calculation
- VNOM: Cash G&A defined as reported general and administrative – cash component expenses; debt service, contractual obligations, fixed charges and reserves reported in cash available for distribution to Viper Energy, Inc. shareholders divided by the ratio of Adjusted EBITDA attributable to Viper Energy, Inc. to Consolidated Adjusted EBITDA; income taxes payable for the current period reported in cash available for distribution to Viper Energy, Inc. shareholders divided by the ratio of Adjusted EBITDA attributable to Viper Energy, Inc. to Consolidated Adjusted EBITDA; production and ad valorem taxes;

Definitions continued

Cash costs include the following on page 18:

- KRP: Cash G&A expense as reported in quarterly earnings press releases; cash interest expense as reported in the calculation of cash available for distribution to common units divided by the ratio of Adjusted EBITDA attributable to Kimbell Royalty Partners, LP to Consolidated Adjusted EBITDA; cash distributions on Series A preferred units; cash income tax expense as reported in the calculation of cash available for distribution to common units divided by the ratio of Adjusted EBITDA attributable to Kimbell Royalty Partners, LP to Consolidated Adjusted EBITDA; production and ad valorem taxes; marketing and other deductions
- BSM: Cash G&A defined as general and administrative expense less equity-based compensation; cash interest expense; preferred unit distributions; production costs and ad valorem taxes; lease operating expenses
- FRU: General and administrative expenses; cash payout on share based compensation; management fee – cash settled; interest on long-term debt and financing fees; income taxes paid, excluding tax deposits; production and ad valorem taxes; operating expense related to working interest assets
- PSK: Cash administrative expenses; finance expense; current tax expense; production and mineral taxes;

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