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Ring Energy

Company Profile

December 15, 2024

Management

Paul D. McKinney, CEO and Chairman
Alexander Dyes, EVP Engineering
James Parr, EVP Exploration & Geosciences
Travis Thomas, CFO
Phillip Feiner, VP General Counsel
Hollie Lamb, VP of Compliance
Shawn Young, VP Operations

www.ringenergy.com

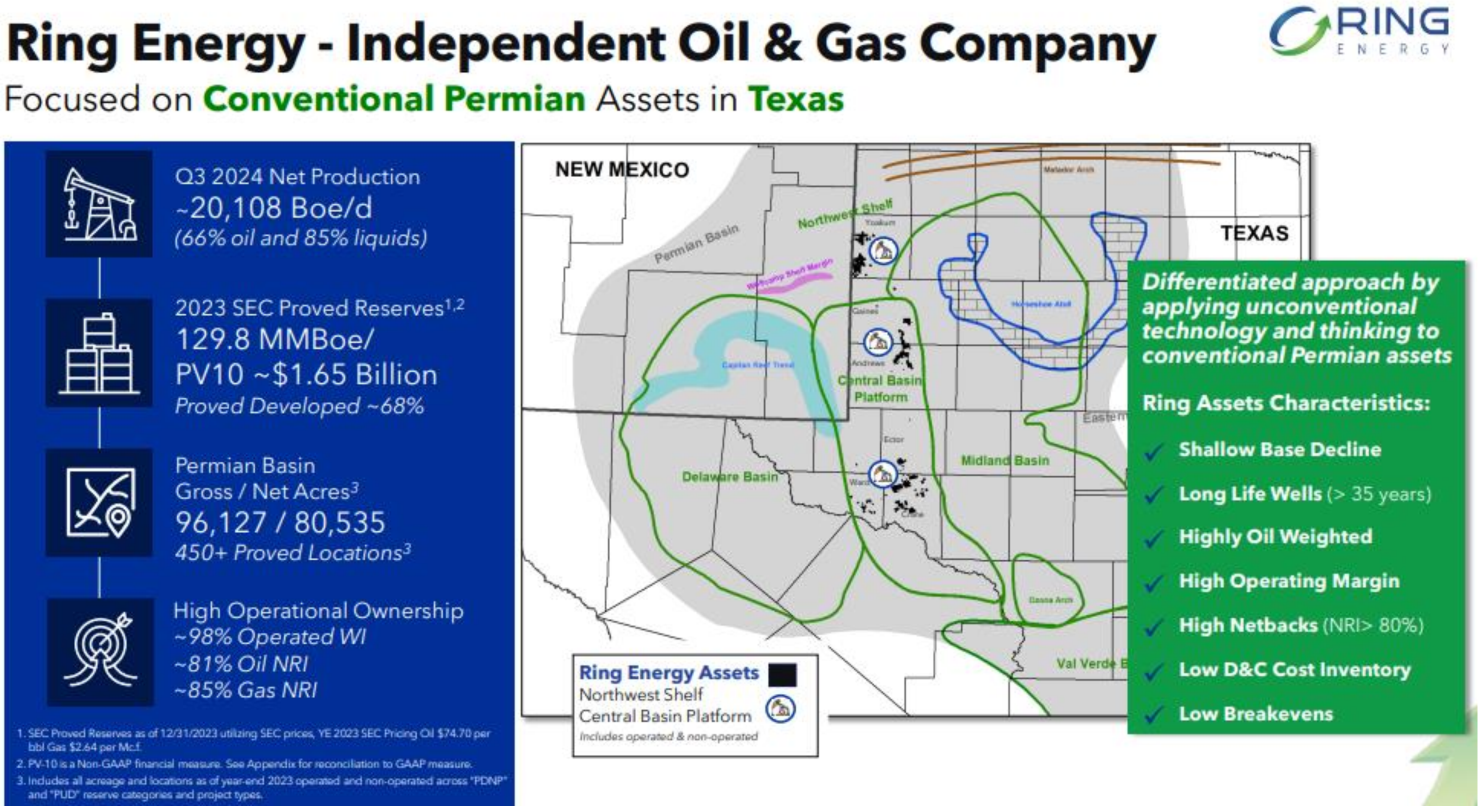
EPG Commentary by Dan Steffens

Ring Energy Inc. (REI) is in our Small-Cap Growth Portfolio. It is not a shale company. Ring's focus is on developing conventional shallow oil zones in the Northwest Shelf and the Central Basin Platform areas of the Permian Basin. Throughout 2024 it has been running a two rig drilling program designed to complete 41 to 48 new wells (10 to 14 in Q4).

2024 Free Cash Flow should be $45 to $50 million

The Company remains squarely focused on continuing to generate Free Cash Flow in 2024. All 2024 planned capital expenditures (excluding acquisitions) are being fully funded by cash flow from operations. ***Ring has generated free cash flow from operations for 20 consecutive quarters.***

Ring has ~450 low-risk development drilling locations. The Company reported record sales volumes for Q3 2024, exceeding the high end of their guidance. They also continued to execute a successful drilling and completions program, which should add to their proved reserves. For the year 2024, Ring's Adjusted Cash Flow from Operations should be approximately $197 million. The balance sheet is in good shape as they continue to pay down debt. *Ring should be able to start capital returns to shareholders in 2025 that could include dividends and/or share repurchases.*



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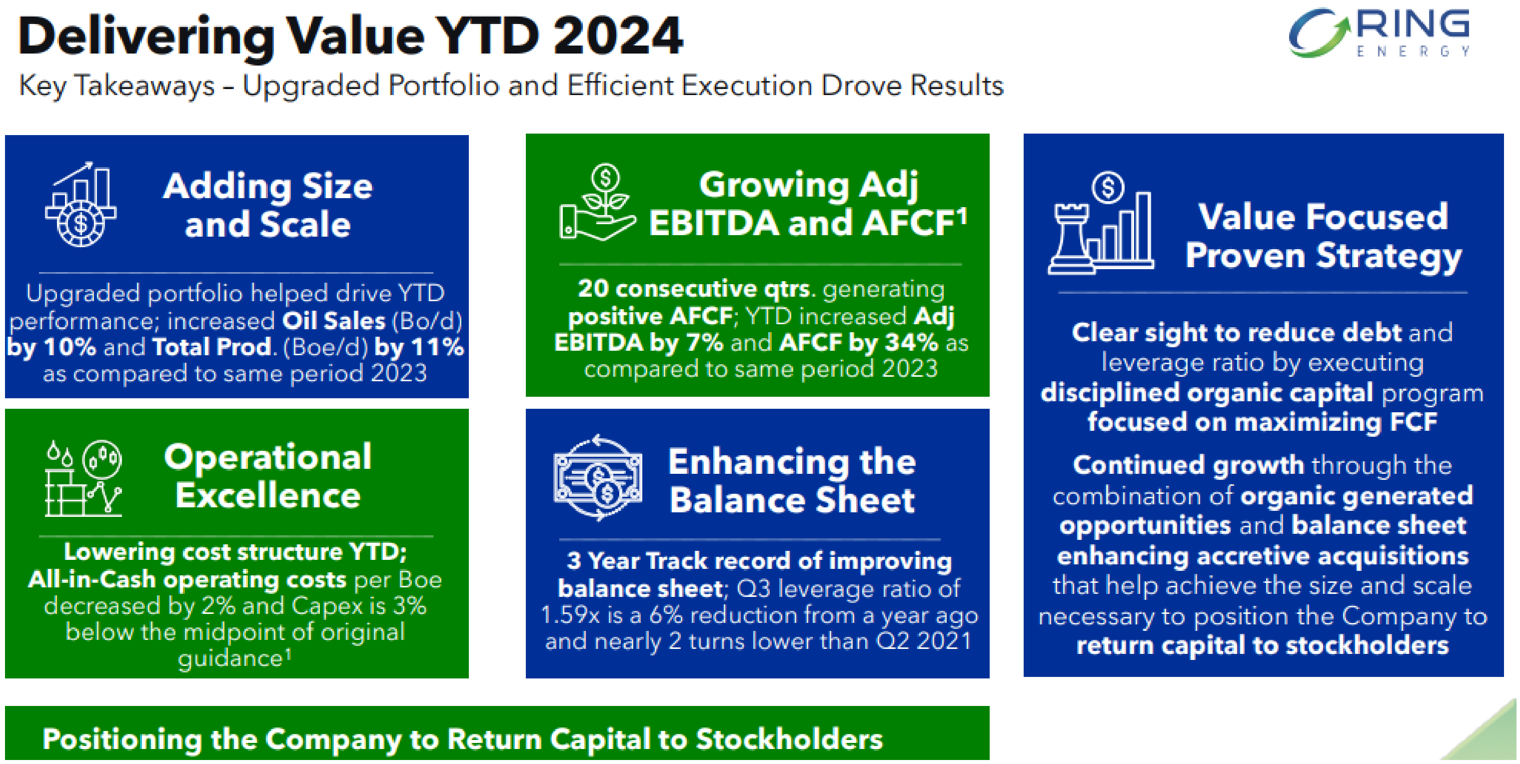

My Fair Value Estimate for REI is $4.00/share

Compared to TipRanks' Price Target of $3.00/share

Disclosure: I do not have a position in REI. I do not intend on buying or selling any shales in the next 72 hours. I wrote this profile myself, and it expresses my own opinions. I am not receiving compensation for it from the company. I have no business relationship with any company whose stock is mentioned in this article.

Company Overview

Ring Energy, Inc. (NYSE: REI) is headquartered in The Woodlands, Texas and is a Texas-based oil and gas exploration, development, and production company with current operations in the Permian Basin of West Texas -- recognized as the top producing oil basin in North America. Formed in 2012, the Company has aggressively sought to acquire select low decline, and long-lived oil and gas properties in the Permian Basin with development opportunities for future years. With over 100 years of combined management experience in the oil and gas industry, coupled with new technological advancements, careful geological evaluation and reservoir engineering and long-established industry relationships, REI is poised for profitability and success.

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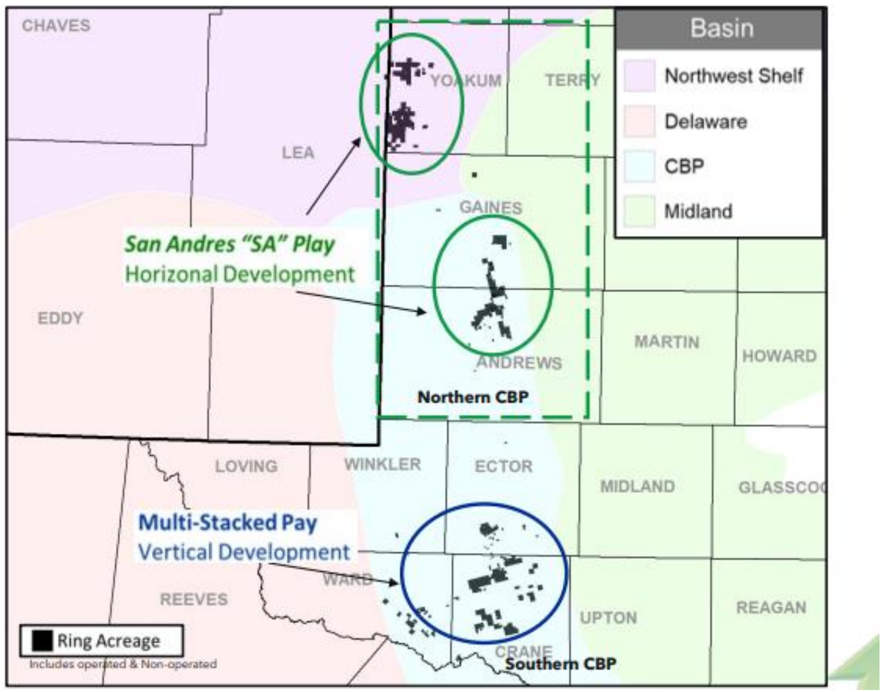
Ring's Two Core Areas are the Northwest Shelf (SA Play) and Central Basin Platform Asset

Assets Overview

Core Assets in NWS & CBP

	Q2 2024
Net Production (MBoe/d)	**~19.8**
NWS (70% oil) **CBP** (68% oil)	~8.0 ~11.8
LOE ($ per Boe)	**$10.72**
Capex ($MM)	**$35.4**
YE23 PD Reserves[1] PV10 ($MM)	$1,263
YE23 PD Reserves[1] (MMBoe)	**88**
YE23 PUD Reserves[1] PV10 ($MM)	$384
YE23 PUD Reserves[1] (MMBoe)	**42**

1. Reserves as of 12/31/23 utilizing SEC prices, YE 2023 SEC Pricing Oil $74.70 per bbl and Gas $2.64 per Mcf, PV-10 is a Non-GAAP financial measure. See Appendix for reconciliation to GAAP measure.



Their legacy assets in the Southern Central Basin Platform, primarily in Crane & Ector counties in West Texas provide a solid base level of production with some additional upside.

Recent Acquisitions provide more Running Room: Their more recently acquired Northwest Shelf Assets have higher growth potential. On August 31, 2022 the Company closed the **Stronghold Energy Acquisition** that significantly increased production, free cash flow (FCF) and high-quality development drilling locations ("running room"). During 2023 Ring sold non-core assets in the Delaware Basin and more recently in New Mexico. Sales proceeds were used to pay down debt and fund the **Founders Asset Package Acquisition** that closed on August 15, 2023.

Third Quarter 2024 Highlights

- Produced record sales of 20,108 barrels of oil equivalent per day ("Boe/d") (66% oil) exceeding the high end of guidance.
- Oil sales were 13,204 Bo/d which were within guidance.
- Reported net income of $33.9 million, or $0.17 per diluted share, and Adjusted Net Income of $13.4 million, or $0.07 per diluted share.
- Incurred Lease Operating Expense ("LOE") of $10.98 per Boe, near the midpoint of guidance.

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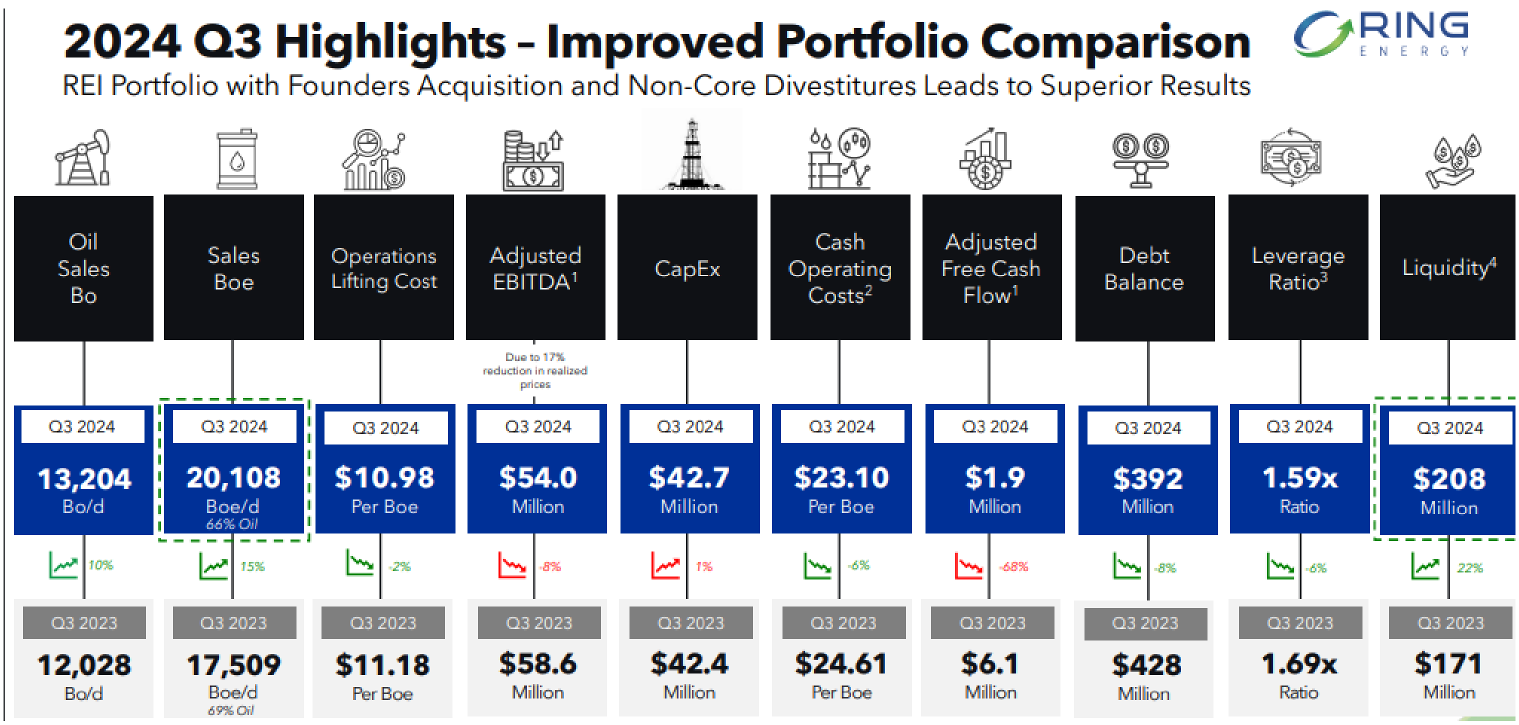
- Recorded Adjusted EBITDA of $54.0 million.
- Divested non-core vertical wells and associated facilities in the Central Basin Platform for $5.5 million with a valuation of approximately 5.6 times estimated next twelve months cash flow.
- Guidance updated to reflect the impact of the divestiture. *< Q4 production will be down ~500 Boepd*.
- Successful development campaign resulted in capital spending of $42.7 million (guidance was $35 million to $45 million) with 13 wells drilled and 11 wells completed and placed on production during the quarter.
- **Generated third quarter Adjusted Free Cash Flow of $1.9 million.**
- **Remained cash flow positive for the 20th consecutive quarter.**
- Ended the period with $392.0 million in outstanding borrowings on the Company's credit facility, reflecting a paydown of $15.0 million during the third quarter, $33.0 million YTD.
- Increased liquidity to a record $208.0 million and Leverage Ratio remained at 1.59x as of September 30, 2024.



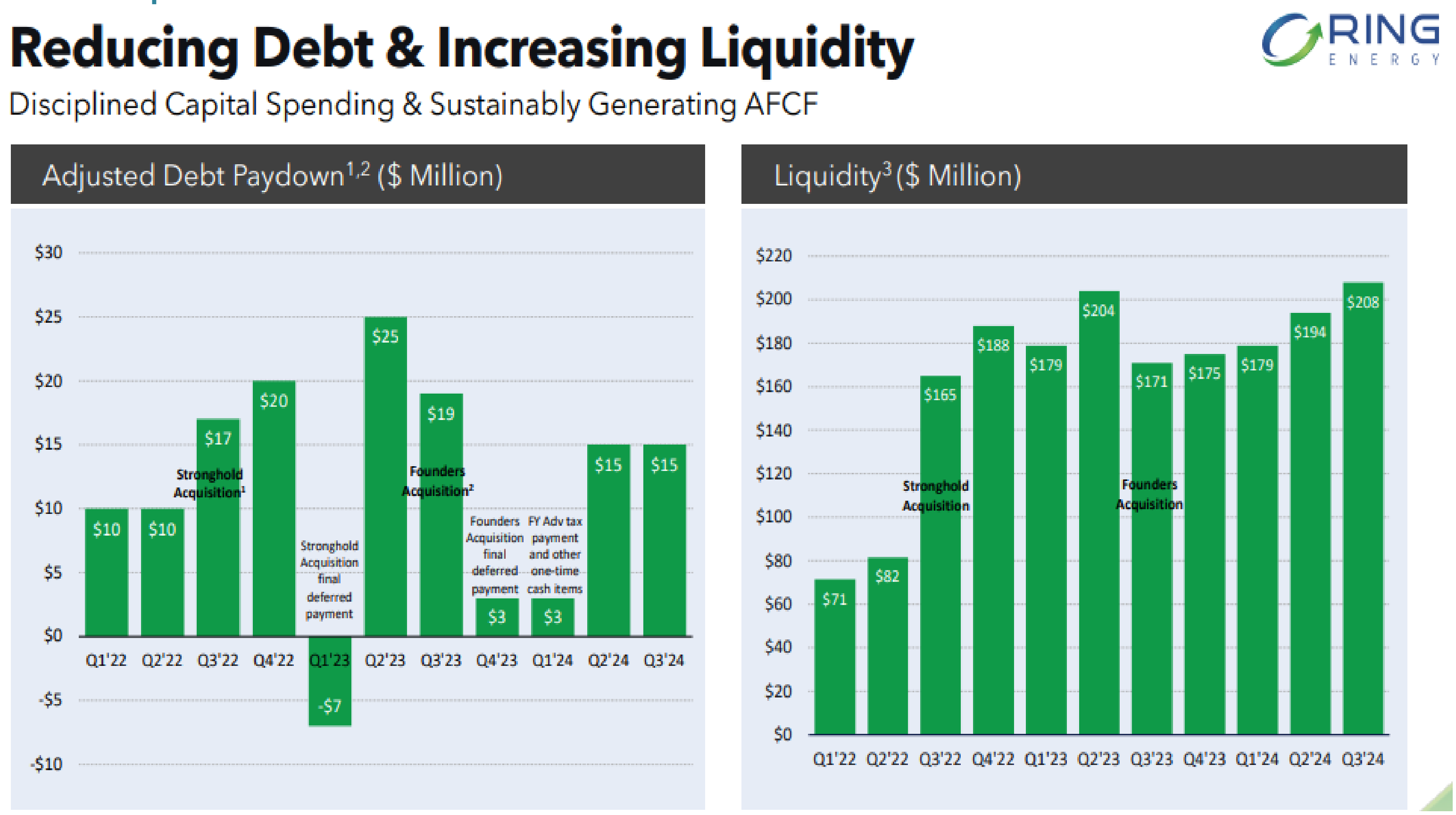
Management Commentary

"Our strong performance during the third quarter is a direct reflection of the Company's commitment to its stockholders and — more specifically — the successful execution of our drilling and completion program and continued focus on reducing our all-in cash operating costs by our team of experienced professionals. Complementing this performance was the divestiture of non-core vertical assets in the Central Basin Platform (CBP). When combined with the cash flow from operations, we were able to reduce debt by another $15 million during the period, reducing our debt to $392 million. We believe it is important to point out that our debt at the end of the third quarter was $5 million less than debt we had at the end of the quarter prior to closing the Founders acquisition last year, yet our production is higher by over 2,800 Boe/d, enhancing our ability to accelerate further debt reduction in the future. As we look to the remainder of the fourth quarter and

into 2025, we believe we are well positioned for continued success and further debt reduction as we remain squarely focused on our strategy of maximizing cash flow generation. As you know, further debt reduction over the coming quarters will be subject to commodity prices. If future oil prices are consistently lower than recent averages, we will pull back capital to maintain production in favor of our ongoing focus on debt reduction. Regarding our guidance, we have updated our full year 2024 guidance to reflect only the recent divestiture of non-core vertical assets. Our existing assets continue to meet or exceed expectations. Regarding our capital spending program during the fourth quarter, we look forward to the results of testing new opportunities designed to unlock new producing zones on our existing acreage. These investments represent a new phase of potential inventory growth for our Company through seeking to identify and develop new hydrocarbon resources organically. Although we are adding organic inventory growth as another strategy to create value, we will continue to pursue strategic, accretive and balance sheet enhancing acquisitions as our primary source of production and reserves growth. As in the past, we will maintain the discipline associated with enhancing our balance sheet and profitably achieving the size and scale designed to drive long-term value for our stockholders. Thank you for your continued support."

– Paul D. McKinney, Chairman & CEO

Financial Update and Guidance



The Company is updating its guidance to reflect actual results through the third quarter and the previously discussed divestiture of non-core assets that was completed on September 30, 2024.

Ring's 2024 development program includes two rigs (one Hz and one vertical) focused on slightly growing oil sales volumes and maintaining year-over-year Boe sales. **The Company's YTD performance has led to greater year-over-year Boe and oil sales volumes growth than originally planned.**

For full year 2024, Ring now expects total capital spending of $147 million to $155 million (versus $141 million to $161 million previously), with no change to the midpoint. The updated program includes a balanced and capital efficient combination of drilling, completing and placing on production 21 to 23 Hz and 22 to 24 vertical wells across the Company's asset portfolio. Additionally, the full year capital spending program includes funds for targeted well recompletions, capital workovers, infrastructure upgrades, reactivations, and leasing costs, as well as non-operated drilling, completion, capital workovers, and ESG improvements.

All projects and estimates are based on assumed WTI oil prices of $70 to $90 per barrel and Henry Hub prices of $2.00 to $3.00 per Mcf. As in the past, Ring has designed its spending program with flexibility to respond to changes in commodity prices and other market conditions as appropriate.

Based on the $151 million midpoint of spending guidance, the Company continues to expect the following estimated allocation of capital, including:

- 77% for drilling, completion, and related infrastructure;
- 14% for recompletions and capital workovers;
- 5% for ESG improvements (environmental and emission reducing upgrades); and
- 4% for land, non-operated capital, and other.

The Company is updating its full year 2024 oil sales volumes guidance to between 13,250 and 13,450 Bo/d versus 13,200 to 13,800 Bo/d previously, which reflects a 1% reduction at the midpoint due primarily to the divestiture of non-core assets discussed above.

The Company remains focused on maximizing Adjusted Free Cash Flow. **All 2024 planned capital expenditures will be fully funded by cash on hand and cash from operations, and excess Adjusted Free Cash Flow is targeted for further debt reduction**. For the fourth quarter of 2024, Ring is providing guidance for sales volumes of 12,950 to 13,550 Bo/d and 19,200 to 20,000 Boe/d (68% oil, 13% natural gas, and 19% NGLs). The Company is targeting total capital expenditures in fourth quarter 2024 of $33 million to $41 million, primarily for drilling and completion activity. Additionally, the capital spending program includes funds for targeted capital workovers, infrastructure upgrades, well reactivations, leasing acreage; and non-operated drilling, completion, and capital workovers.Ring expects LOE of $10.75 to $11.25 per Boe for the fourth quarter and $10.70 to $11.00 per Boe for the full year. The Company's previous guidance for full year 2024 was $10.50 to $11.25 per Boe.

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Sales Volumes, Prices, and Revenues

Sales volumes for the third quarter of 2024 were a record 20,108 Boe/d (66% oil, 15% natural gas and 19% NGLs), or 1,849,934 Boe. Positively impacting third quarter 2024 sales volumes was the Founders Acquisition that closed in August 2023 and incremental production brought online during the period associated with the Company's ongoing development program. Second quarter 2024 sales volumes were 19,786 Boe/d (69% oil, 14% natural gas and 17% NGLs), or 1,800,570 Boe, and third quarter of 2023 sales volumes were 17,509 Boe/d (69% oil, 16% natural gas and 15% NGLs), or 1,610,857 Boe. Third quarter 2024 sales volumes were comprised of 1,214,788 barrels ("Bbls") of oil, 1,705,027 thousand cubic feet ("Mcf") of natural gas and 350,975 Bbls of NGLs.

For the third quarter of 2024, the Company realized an average sales price of $74.43 per barrel of crude oil, $(2.26) per Mcf of natural gas, and $7.66 per barrel of NGLs. The realized natural gas and NGL prices were impacted by a fee reduction to the value received. For the third quarter of 2024, the weighted average natural gas price per Mcf was $(0.50) and the weighted average fee per Mcf was $(1.76); the weighted average NGL price per barrel was $18.45 offset by a weighted average fee per barrel of $(10.79). The weighted average natural gas price for third quarter 2024 reflects continued natural gas product takeaway constraints, which could be alleviated through additional third-party pipeline capacity. The combined average realized sales price for the period was $48.24 per Boe versus $55.06 per Boe for the second quarter of 2024 and $58.16 per Boe in the third quarter of 2023. The average oil price differential the Company experienced from NYMEX WTI futures pricing in the third quarter of 2024 was a negative $0.56 per barrel of crude oil, while the average natural gas price differential from NYMEX futures pricing was a negative $4.43 per Mcf.

Revenues were $89.2 million for the third quarter of 2024 compared to $99.1 million for the second quarter of 2024 and $93.7 million for the third quarter of 2023. The decrease in third quarter 2024 revenues from the second quarter of 2024 was driven by a decrease in overall realized pricing, partially offset by increased sales volumes.

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“My valuation of REI will be driven by oil prices and the success of this year’s drilling program. As you can see below, this company’s true value is tied to the PV10 net asset value of their proved reserves, which was $4.40 per share on December 31, 2023. The 2024 drilling program is designed to increase oil production and move probable reserves (2P) into the proved (1P) category.” – Dan Steffens

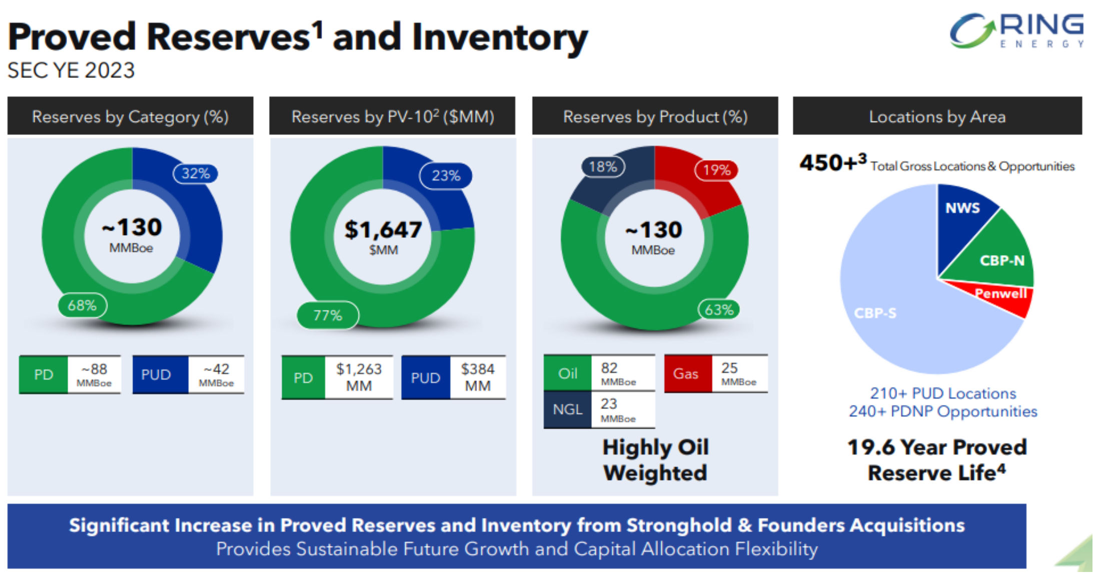
Year-End 2023 Proved Reserves

The Company's year-end 2023 SEC proved reserves were 129.8 MMBoe compared to 138.1 MMBoe at year-end 2022. During 2023, Ring recorded reserve additions of 8.2 MMBoe for acquisitions and 4.8 MMBoe for extensions, discoveries and improved recovery. Offsetting these additions were 5.7 MMBoe related to the sale of non-core assets, 6.6 MMBoe of production, 5.3 MMBoe for reductions in year-over-year pricing, and 3.7 MMBoe related to changes in performance and other economic factors.

The SEC twelve-month first day of the month average prices used for year-end 2023 were $74.70 per barrel of crude oil and $2.637 per MMBtu of natural gas, both before adjustment for quality, transportation, fees, energy content, and regional price differentials, while for year-end 2022 they were $90.15 per barrel of crude oil and $6.358 per MMBtu of natural gas.

Year-end 2023 SEC proved reserves were comprised of approximately 63% crude oil, 19% natural gas, and 18% natural gas liquids. At year end, approximately 68% of 2023 proved reserves were classified as proved developed and 32% as proved undeveloped. This is compared to year-end 2022 when approximately 65% of proved reserves were classified as proved developed and 35% were classified as proved undeveloped.

The PV-10 value at year-end 2023 was $1,647.0 million versus $2,773.7 million at the end of 2022.



Expenses

Lease Operating Expense ("LOE"): LOE, which includes expensed workovers and facilities maintenance, was $20.3 million, or $10.98 per Boe, in the third quarter of 2024, which was near the midpoint of the Company's guidance of $10.50 to $11.25 per Boe. LOE was $19.3 million, or $10.72 per Boe in the second quarter of 2024 and $18.0 million, or $11.18 per Boe, for the third quarter of 2023.

Gathering, Transportation and Processing ("GTP") Costs: As previously disclosed, due to a contractual change effective May 1, 2022, the Company no longer maintains ownership and control of natural gas through processing for the majority of its gas produced. As a result, the majority of GTP costs are now reflected as a reduction to the natural gas sales price and not as an expense item. There does remain one contract in place with a natural gas processing entity where the point of control of gas dictates requiring the fees to be recorded as an expense.

Ad Valorem Taxes: Ad valorem taxes were $1.17 per Boe for the third quarter of 2024 compared to $0.74 per Boe in the second quarter of 2024 and $1.10 per Boe for the third quarter of 2023.

Production Taxes: Production taxes were $2.27 per Boe in the third quarter of 2024 compared to $2.01 per Boe in the second quarter of 2024 and $2.95 per Boe in third quarter of 2023. Production taxes ranged between 3.7% to 5.1% of revenue for all three periods.

Depreciation, Depletion and Amortization ("DD&A") and Asset Retirement Obligation Accretion: DD&A was $13.87 per Boe in the third quarter of 2024 versus $13.72 per Boe for the second quarter of 2024 and $13.65 per Boe in the third quarter of 2023. Asset retirement obligation accretion was $0.19 per Boe in the third quarter of 2024, compared to $0.20 for the second quarter of 2024 and $0.22 per Boe in the third quarter of 2023.

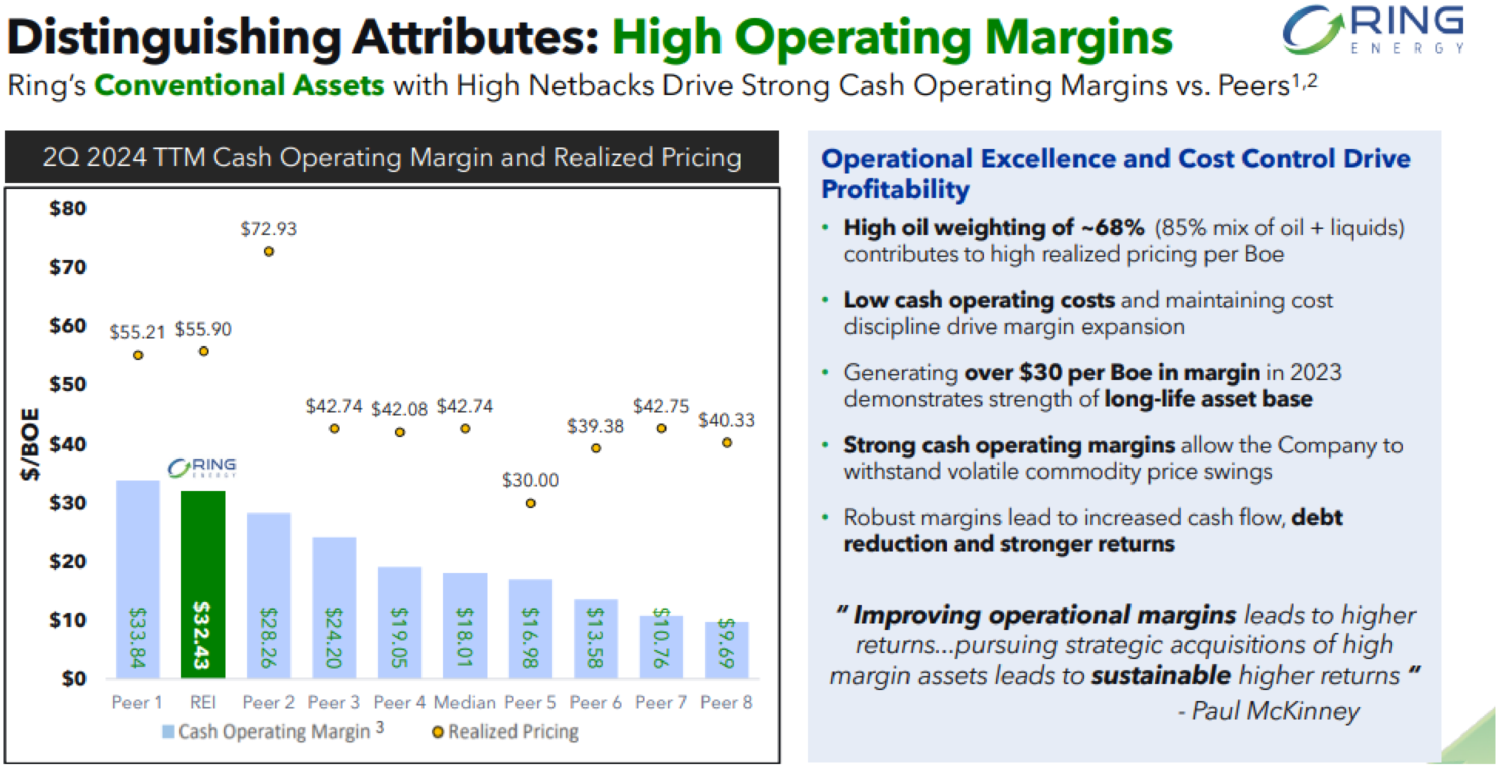
General and Administrative Expenses ("G&A"): G&A was $6.4 million ($3.47 per Boe) for the third quarter of 2024 versus $7.7 million ($4.28 per Boe) for the second quarter of 2024 and $7.1 million ($4.40 per Boe) for the third quarter of 2023. G&A, excluding non-cash share-based compensation, was $6.4 million ($3.45 per Boe) for the third quarter of 2024 versus $5.6 million ($3.13 per Boe) for the second quarter of 2024 and $4.9 million ($3.05 per Boe) for the third quarter of 2023. G&A, excluding non-cash share-based compensation and transaction costs, was $6.4 million ($3.45 per Boe) for the third quarter of 2024 versus $5.6 million ($3.13 per Boe) for the second quarter of 2024 and $5.1 million ($3.15 per Boe) for the third quarter of 2023.

Interest Expense: Interest expense was $10.8 million in the third quarter of 2024 versus $10.9 million for the second quarter of 2024 and $11.4 million for the third quarter of 2023.

Derivative (Loss) Gain: In the third quarter of 2024, Ring recorded a net gain of $24.7 million on its commodity derivative contracts, including a realized $1.9 million cash commodity derivative loss and an unrealized $26.6 million non-cash commodity derivative gain. This compares to a net loss of $1.8 million in the second quarter of 2024, including a realized $2.6 million cash commodity derivative loss and an unrealized $0.8 million non-cash commodity derivative gain. In the third quarter of 2023, the Company recorded a net loss on commodity derivative contracts of $39.2 million, including a realized $5.4 million cash commodity derivative loss and an unrealized $33.9 million non-cash commodity derivative loss.

For the remainder (October through December) of 2024, the Company has approximately 0.6 million barrels of oil (approximately 48% of oil sales guidance midpoint) hedged at a blended price of $69.68/bbl and approximately 0.5 billion cubic feet of natural gas (approximately 32% of natural gas sales guidance midpoint) hedged at a blended price of $4.39/MMBtu.

Income Tax: The Company recorded a non-cash income tax provision of $10.1 million in the third quarter of 2024 versus a provision of $6.8 million in the second quarter of 2024, and a benefit of $3.4 million for the third quarter of 2023.



Balance Sheet and Liquidity

Total liquidity (defined as cash and cash equivalents plus borrowing base availability under the Company's credit facility) at September 30, 2024 was $208.0 million, a 7% increase from June 30, 2024. Liquidity at September 30, 2024 consisted of $208.0 million of availability under Ring's revolving credit facility, which included a reduction of $35 thousand for letters of credit.

On September 30, 2024, the Company had $392 million in borrowings outstanding on its credit facility that has a current borrowing base of $600 million. During the third quarter, Ring paid down $15 million in borrowings. Consistent with the past, the Company is targeting continued debt reduction, dependent on market conditions, the timing and level of capital spending, and other considerations.

Historical Metrics

Quarterly Analysis of AFCF[1]

Disciplined and Efficient Capital Spending Focused on Sustainably Generating AFCF
Enhances Our Unrelenting Goal to Strengthen the Balance Sheet

Capital Expenditures

During the third quarter of 2024, capital expenditures were $42.7 million, which was within the Company's guidance of $35 million to $45 million, and the number of wells drilled and completed (and placed on production) — 13 and 11 wells, respectively — was also within the Company's guidance range. Three horizontal ("Hz") wells were drilled and completed in the **Northwest Shelf**, including two 1-mile and one 1.5-mile laterals.

Four 1-mile Hz wells were drilled in the **Central Basin Platform**, two of which were completed in October. Finally, six vertical wells were drilled and completed in the Central Basin Platform.

Ring Energy

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Acquisition Update

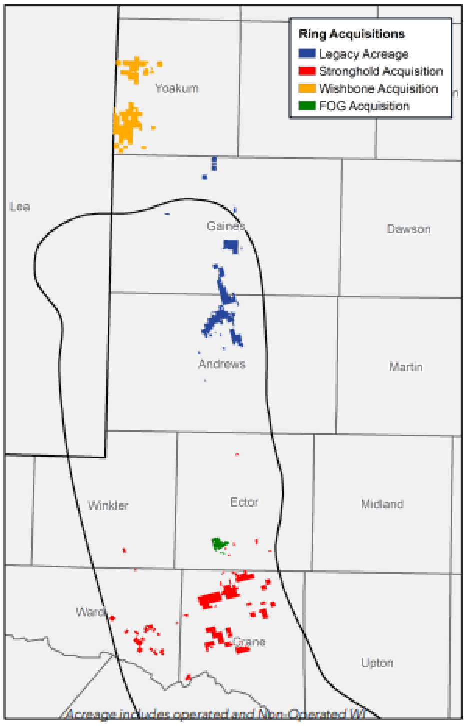
Track Record of Growth

Expanding Core Areas in NWS & CBP

Acquisition Track Record

- Since 2018, Ring has successfully **grown production by a ~22% CAGR[1]** through 2024E.
- Founders Acquisition added accretive near-term cash flows combined with **5+ years of high return drilling inventory** assuming 10 wells drilled per year
- Recent acquisitions have significantly **increased size & scale**, positioning the Company for future transactions
- Ring's **Value Focused Proven Strategy** pursuing accretive, **balance sheet enhancing acquisitions** is a key component of our future growth

Year Completed	2019	2022	2023	Total Acquired
Acquired Proved Reserves (MMBoe)[2]	34.3	66.6	9.2	110.1
% Oil	80%	54%	80%	75%[3]
Acquired Net Acreage	~37,000	~37,000	~3,600	~77,600
Acquisition Price[4] ($MM)	$300	$465	$75	$840
Consideration Mix (% Cash / % Stock)	90% / 10%	51% / 49%	100% / 0%	68% / 32%



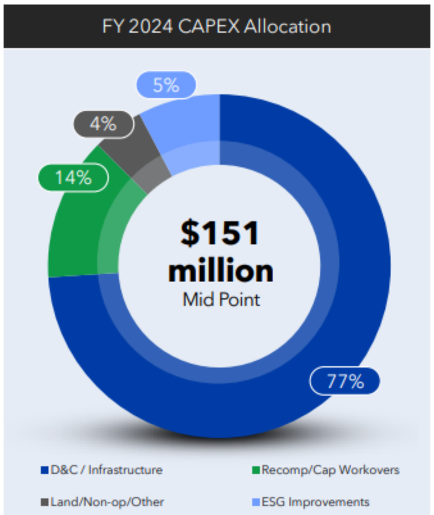
1 CAGR is compounded annualized growth rate.
2 Acquired proved reserves for each of the transactions listed are based on the price forecasts reported as of the time the acquisition was announced.
3 Arithmetic sum, or average, as the case may be, of the three acquisitions.
4 Acquisition price at announcement including stock value at announcement.

Updated Guidance

Q4 & FY 2024 Guidance Update

Update Q4'24 Guidance Due to Non-Core Divestiture[1] in Q3'24

Sales Volumes	Q4 2024 Updated	FY 2024 Updated	FY 2024 Mid Year
Total (Bo/d)	12,950 - 13,550	13,250 - 13,450	13,200 - 13,800
Mid Point (Bo/d)	13,250	13,350	13,500
Total (Boe/d)	19,200 - 20,000	19,500 - 19,800	19,000 - 19,800
Mid Point (Boe/d)	19,600	19,650	19,400
- Oil (%)	~68%	~68%	~70%
- NGLs (%)	~19%	~18%	~16%
- Gas (%)	~13%	~14%	~14%
Capital Program			
Capital Spending[2] (millions)	$33 - $41	$147 - $155	$141 - $161
Mid Point (millions)	$37	$151	$151
- New Hz wells drilled	4 - 6	21 - 23	19 - 23
- New Vertical wells drilled	4 - 6	22 - 24	22 - 25
- DUC Wells	2	n/a	n/a
- Wells completed & online	10 - 14	43 - 47	41 - 48
Operating Expenses			
LOE (per Boe)	$10.75 - $11.25	$10.70 - $11.00	$10.50 - $11.25
Mid Point (per Boe)	$11.00	$10.85	$10.88



November 25, 2024 Press Release

Ring Energy, Inc. announced the addition of a new senior technical executive.

Mr. James J. Parr joins Ring as Executive Vice President, Exploration and Geosciences. Mr. Parr is an experienced petroleum geologist with over 30 years of energy leadership in all aspects of the upstream petroleum business in multiple global organizations. As a key member of the executive team, Ring Energy is enhancing its ability for further value creation through identification, capture, and execution of both organic and inorganic growth opportunities.

Mr. Paul D. McKinney, Chairman of the Board and Chief Executive Officer, commented, “I have had the pleasure of working closely with James in the past, who is a respected oil finder with an established history of successful capital allocation and portfolio management resulting in impactful, low-cost reserve additions, and related positive contributions to the bottom line. We look forward to leveraging James’ extensive technical background and industry experience to help grow our opportunity set of highly attractive drilling prospects targeted to further maximize the Company’s cash flow, improve the balance sheet, and drive increased value for our stockholders.”

Hedges

For the remainder (October through December) of 2024, the Company has approximately 0.6 million barrels of oil (approximately 48% of oil sales guidance midpoint) hedged and approximately 0.5 billion cubic feet of natural gas (approximately 32% of natural gas sales guidance midpoint) hedged.

Financial Overview

RING ENERGY

Derivative Summary as of September 30, 2024

Oil Hedges (WTI)	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Swaps:								
Hedged volume (Bbl)	368,000	71,897	52,063	265,517	64,555	449,350	432,701	—
Weighted average swap price	$ 68.43	$ 72.03	$ 72.03	$ 72.94	$ 72.03	$ 70.38	$ 69.53	$ —
Deferred premium puts:								
Hedged volume (Bbl)	88,405	—	—	—	—	—	—	—
Weighted average strike price	$ 75.00	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Weighted average deferred premium price	$ 2.61	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Two-way collars:								
Hedged volume (Bbl)	128,800	474,750	464,100	225,400	404,800	—	—	379,685
Weighted average put price	$ 60.00	$ 57.06	$ 60.00	$ 65.00	$ 60.00	$ —	$ —	$ 60.00
Weighted average call price	$ 73.24	$ 75.82	$ 69.85	$ 78.91	$ 75.68	$ —	$ —	$ 72.50

Gas Hedges (Henry Hub)	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
NYMEX Swaps:								
Hedged volume (MMBtu)	431,800	616,199	594,400	289,550	—	—	532,500	—
Weighted average swap price	$ 4.44	$ 3.78	$ 3.43	$ 3.72	$ —	$ —	$ 3.38	$ —
Two-way collars:								
Hedged volume (MMBtu)	18,300	33,401	27,300	308,200	598,000	553,500	—	515,728
Weighted average put price	$ 3.00	$ 3.00	$ 3.00	$ 3.00	$ 3.00	$ 3.50	$ —	$ 3.00
Weighted average call price	$ 4.15	$ 4.39	$ 4.15	$ 4.75	$ 4.15	$ 5.03	$ —	$ 3.93

Oil Hedges (basis differential)	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
Argus basis swaps:								
Hedged volume (Bbl)	244,000	270,000	273,000	276,000	276,000	—	—	—
Weighted average spread price [1]	$ 1.15	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ —	$ —	$ —

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Ring Energy, Inc.

Company Profile

Net Income and Cash Flow Forecast Model

December 15, 2024

Ring Energy, Inc. (REI)
Net Income and Cash Flow 2022 - 2025 (updated 12/15/2024)

Founders Asset Package Acq closed August 15, 2023 — *2024 Guida*

	Actual 2022	Actual Qtr1 2023	Actual Qtr2 2023	Actual Qtr3 2023	Actual Qtr4 2023	Actual Year 2023	Actual Qtr1 2024	Actual Qtr2 2024	Actual Qtr3 2024	Forecast Qtr4 2024	Forecast Year 2024	Forecast Year 2025	
REVENUES:													
Oil and Gas Revenue	$347,249,537	$88,082,912	$79,348,573	$93,681,798	$99,942,718	$361,056,001	$94,503,136	$99,139,349	$89,244,383	$86,621,864	$369,508,732	$380,984,956	< Forecast Revenues include cash settlements on hedges that are broken out on row 31
Total revenues	347,249,537	88,082,912	79,348,573	93,681,798	99,942,718	361,056,001	94,503,136	99,139,349	89,244,383	86,621,864	369,508,732	380,984,956	when actuals are reported.
EXPENSES:													*Expenses based on Ring's guidance >>>*
Lease operating expenses + GT&P	49,525,375	17,471,868	15,936,474	18,010,818	19,196,640	70,615,800	18,526,488	19,416,646	20,417,702	19,835,200	78,196,036	80,300,000	< $11.00/ boe
Production taxes + Ad valorem	21,796,599	6,078,753	5,682,482	6,532,452	6,599,490	24,893,177	6,573,934	4,964,540	6,368,413	6,063,530	23,970,417	26,668,947	< 7% of Oil & Gas Revenues
DD&A	55,740,767	21,271,671	20,792,932	21,989,034	24,556,654	88,610,291	23,792,450	24,699,421	25,662,123	24,794,000	98,947,994	100,375,000	< $13.75/ boe
Impairment (Full Cost Ceiling Test)	0	0	0	0	0	0	0	0	0	0	0	0	
Operating lease expense	363,908	113,138	115,353	138,220	175,090	541,801	175,091	175,090	175,091	175,091	700,363	700,364	
G&A	19,933,092	5,186,443	4,549,931	4,912,839	5,706,117	20,355,330	5,581,560	5,620,809	6,285,330	6,000,000	23,487,699	24,500,000	
Stock based comp & bad debt expense	7,162,231	1,943,696	2,260,312	2,170,735	2,458,682	8,833,425	1,887,662	2,092,725	136,237	1,500,000	5,616,624	6,000,000	
Accretion of asset retirement obligations	983,432	365,847	353,878	354,175	351,786	1,425,686	350,834	352,184	354,195	357,000	1,414,213	1,460,000	
TOTAL EXPENSES	155,505,404	52,431,416	49,691,362	54,108,273	59,044,459	215,275,510	56,888,019	57,321,415	59,399,091	58,724,821	232,333,346	240,004,311	
OPERATING EARNING	191,744,133	35,651,496	29,657,211	39,573,525	40,898,259	145,780,491	37,615,117	41,817,934	29,845,292	27,897,043	137,175,386	140,980,645	
OTHER INCOME (EXPENSE)													
Interest Income	4	0	79,745	80,426	96,984	257,155	78,544	144,933	143,704	100,000	467,181	300,000	*Compare to forecast on row 47*
Interest expense	(20,461,708)	(9,169,895)	(9,330,422)	(10,123,288)	(10,382,413)	(39,006,018)	(10,277,337)	(9,724,519)	(9,527,362)	(9,300,000)	(38,829,218)	(35,000,000)	
Amortization of deferred financing costs	(2,706,021)	(1,220,384)	(1,220,385)	(1,258,466)	(1,221,479)	(4,920,714)	(1,221,607)	(1,221,608)	(1,226,881)	(1,226,881)	(4,896,977)	(4,900,000)	
Gain (loss) on derivatives - unrealized	40,993,295	10,133,430	3,085,065	(33,871,957)	32,505,544	11,852,082	(17,552,990)	765,908	26,614,390	0	9,827,308	0	
Gain (loss) on derivatives - realized	(62,525,954)	(658,525)	179,595	(5,350,798)	(3,255,192)	(9,084,920)	(1,461,505)	(2,594,507)	(1,882,765)	0	(5,938,777)	0	
Gain (loss) on disposal of assets							38,355	51,338	0	0	89,693	0	
Other income	0	9,600	(15,499)	0	117,706	111,807	25,686	0	0	0	25,686	0	
INCOME BERORE INCOME TAXES	147,043,749	34,745,722	22,435,310	(10,950,558)	58,759,409	104,989,883	7,244,263	29,239,479	43,966,378	17,470,162	97,920,282	101,380,645	
INCOME TAXES													
Current	(312,268)	57,290	41,191	173,666	127,493	399,640	102,633	152,385	170,232	87,351	512,601	506,903	< 0.5%
Deferred (Q1 2019 includes adj to Def Tax Lia	8,720,992	1,972,653	(6,397,486)	(3,585,002)	7,735,437	(274,398)	1,626,253	6,668,100	9,917,722	3,756,085	21,968,160	21,796,839	< 21.5% — Millions
													Estimated 2024 EBITDA per this forecast > — *$ 242.0*
NET INCOME	$138,635,025	$32,715,779	$28,791,605	($7,539,222)	$50,896,479	$104,864,641	$5,515,377	$22,418,994	$33,878,424	$13,626,726	$75,439,521	$79,076,903	
Common Stock outstanding	**175,530,212**	**196,837,001**	**196,837,001**	**196,837,001**	**196,837,001**	**196,837,001**	**198,196,034**	**198,196,034**	**198,196,034**	**198,196,034**	**198,196,034**	**200,000,000**	< 2024 is shares outstanding on 9-30-2024
Earnings per share	$0.79	$0.17	$0.15	($0.04)	$0.26	$0.53	$0.03	$0.11	$0.17	$0.07	$0.38	$0.40	**< EPS**
NOTE: Current First Call Estimated EPS							$0.03	$0.11	$0.17	$0.08	$0.39	$0.40	**< TipRanks' EPS estimates**
	$69,494,388	$49,359,494	$43,955,876	$48,547,685	$55,126,656	$196,989,711	$51,908,818	$56,635,786	$44,561,192	$44,260,692	$197,366,488	$201,608,742	< 2024 CapEx s/b $147 to $155 million (11/6)
Cashflow per share (before CapEx)	$0.40	$0.25	$0.22	$0.25	$0.28	$1.00	$0.26	$0.29	$0.22	$0.22	$1.00	$1.01	**< CFPS**
					TipRanks CFPS Forecasts >>					$0.22	$0.99	$0.97	**Fair Value Price 4 X 2023 to 2025 CFPS = $4.00**
PRODUCTION		Forecast commodity prices include impact of hedges					Forecast commodity prices include impact of hedges						***Q42024 Mix*** — ***2025 Mix*** — **TipRanks Price T** $ 3.00
Natural Gas (mcfp/d)	11,176	17,790	17,116	17,034	17,534	17,165	16,445	16,905	18,533	15,288	16,793	16,200	< 13% Ngas — < 13.5% — Truist Financial $ 3.00
Oil (bbls/d)	9,464	12,660	11,861	12,028	13,637	12,548	13,394	13,623	13,204	13,328	13,387	13,500	< 68% oil — < 67.5% — Roth MKM $ 3.00
NGLs (bbls/d)	2,018	2,667	2,557	2,643	2,838	2,710	2,899	3,346	3,815	3,724	3,770	3,800	< 19% NGL — < 19.0%
boepd	13,345	18,292	17,271	17,509	19,397	18,119	19,034	19,786	20,108	19,600	19,956	20,000	**< Q4 2024 guidance 19,200 to 20,000 Boepd (11/6)**
PRODUCT PRICES	56.7%					35.8%					10.1%	0.2%	**< Production Growth**
Natural Gas ($/mcf)	5.61	0.64	1.30	1.52	0.98	1.11	0.31	(0.97)	(1.54)	0.03	(0.54)	1.00	< Ngas price includes impact of hedges -3.50/mcf for Diff. and GP
Oil ($/bbl)	74.68	72.82	69.58	75.21	73.33	72.73	73.48	76.80	71.86	68.37	72.63	73.30	**See Hedge Table below less $1.50/bbl for differental**
NGLs ($/bbl)	21.45	14.30	10.35	11.22	11.92	11.95	11.47	9.27	7.66	8.00	9.10	10.00	
													Forecast oil & ngas prices are net of estimated cash settlements
Gross Revenue check (prod * ave price)	284,724	87,424	79,528	88,331	96,688	351,972	93,042	96,545	87,362	86,622	363,570	380,985	on the company's hedges
							93,042	96,545	87,362	86,700	363,649	364,000	**< TipRanks' revenue estimates**
	$ 97,641,730					$ 93,012,559					$ 65,612,213	$ 79,076,903	< Adjusted Net Income