

Investor Presentation

March 2021



Disclaimer

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements that involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially from those contained in the forward-looking statements. Falcon cautions readers not to place any undue reliance on these forward-looking statements as forward-looking information is not a guarantee of future performance. Such forward-looking statements include, but are not limited to, statements about future financial and operating results, future dividends paid, the tax treatment of dividends paid, Falcon's plans, initiatives, objectives, expectations and intentions and other statements that are not historical facts. Risks, assumptions and uncertainties that could cause actual results to materially differ from the forward-looking statements include, but are not limited to, those associated with general economic and business conditions; the COVID-19 pandemic and its impact on Falcon and on the oil and gas industry as a whole; Falcon's ability to realize the anticipated benefits of its acquisitions; changes in commodity prices; uncertainties about estimates of reserves and resource potential; inability to obtain capital needed for operations; Falcon's ability to meet financial covenants under its credit agreement or its ability to obtain amendments or waivers to effect such compliance; changes in government environmental policies and other environmental risks; the availability of drilling equipment and the timing of production in Falcon's regions; tax consequences of business transactions; and other risks, assumptions and uncertainties detailed from time to time in Falcon's reports filed with the U.S. Securities and Exchange Commission, including under the heading "Risk Factors" in Falcon's most recent annual report on Form 10-K as well as any subsequently filed quarterly reports on Form 10-Q and current reports on Form 8-K. Forward-looking statements speak only as of the date hereof, and Falcon assumes no obligation to update such statements, except as may be required by applicable law.

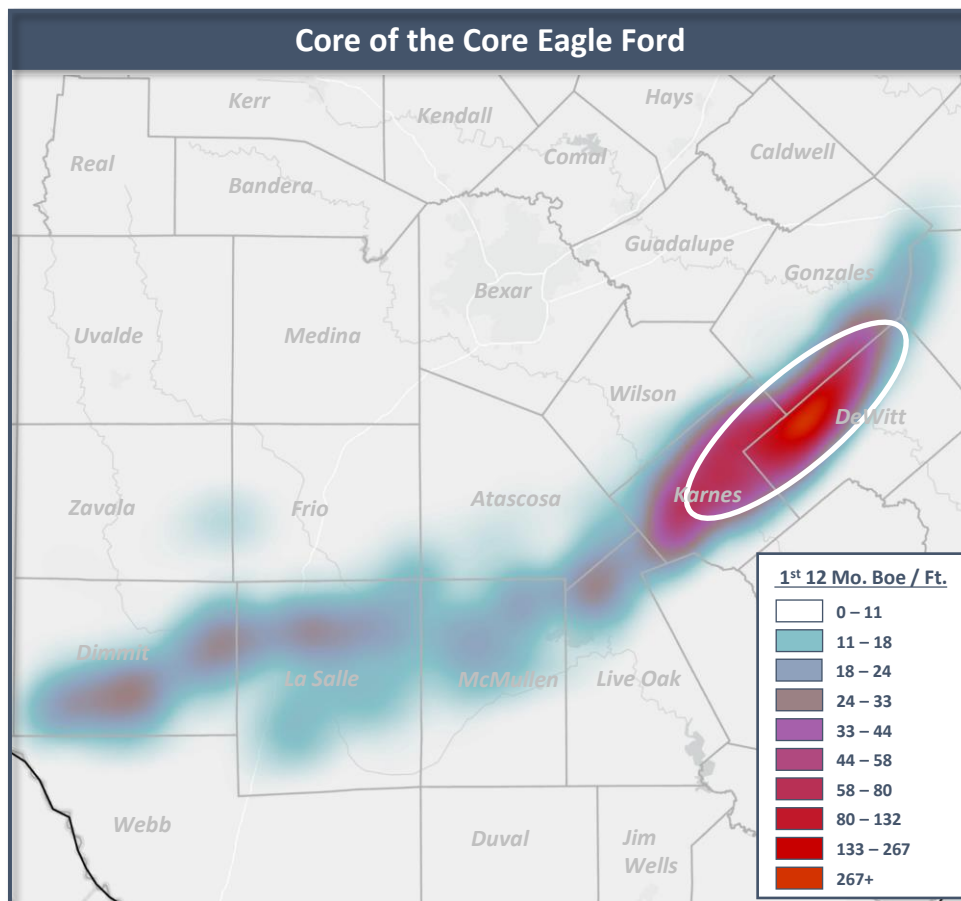
RESERVE INFORMATION

Reserve engineering is a process of estimating underground accumulations of hydrocarbons that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions could impact Falcon's strategy and change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of oil and natural gas that are ultimately recovered. Estimated Ultimate Recoveries, or "EURs," refers to estimates of the sum of total gross remaining proved reserves per well as of a given date and cumulative production prior to such given date for developed wells. These quantities do not necessarily constitute or represent reserves as defined by the SEC and are not intended to be representative of all anticipated future well results.

Overview

Falcon's primary assets are located in the core of the Eagle Ford under premier operators

Market / Asset Overview	
NASDAQ Ticker	FLMN
Market Capitalization ⁽¹⁾	~\$364mm
Shares Outstanding ⁽²⁾	~86.1mm
Leverage Ratio ⁽³⁾	1.39x
Key Counties	Karnes, Dewitt, Gonzales
Key Operators	COP, BP/DVN, EOG
Gross Unit Acres	~256,000 acres
Net Royalty Acres	~2,700 acres
Producing Horizontal Wells	~2,087 Eagle Ford wells



World class assets developed by world class operators

(1) Assumes share price as of March 3, 2021. Inclusive of Class C Shares.

(2) 86,107,183 shares reflect fully-diluted or as-converted shares outstanding, inclusive of 40,000,000 Class C shares. Excludes unvested RSAs.





(3) Calculated by dividing the sum of total debt outstanding less total cash on hand as of December 31, 2020 by Adjusted EBITDA for the trailing 12-month period.

Investment Highlights

<p>2021 Highlights</p>	<ul style="list-style-type: none"> ❑ <u>Multiple high NRI pads expected to turn in line (“TIL”) throughout 2021</u> <ul style="list-style-type: none"> – Confirmation of 5 high NRI gross wells (approximately 0.50 net) that have been TIL in the first quarter 2021 – Anticipate another 6 high NRI gross wells (approximately 0.45 net) to be TIL late in the first quarter 2021, which are expected to bolster production growth in the second quarter 2021 – Anticipate production from 6 well Hooks Ranch pad (approximately 0.40 net)⁽¹⁾ in fourth quarter 2021 ❑ <u>Additional 225 gross and 2.11 line-of-sight wells are expected to TIL over the next 12 months</u> <ul style="list-style-type: none"> – Current 7 rig pace implies 250 permitted or not yet permitted wells drilled over the next 12 months ❑ Top operators represent ~95% of Falcon’s line-of-sight inventory ❑ 2021 oil production as a percentage of total production is expected to be 50-53%
<p>Operational Overview</p>	<ul style="list-style-type: none"> ❑ <u>7 rigs currently on Falcon’s Eagle Ford assets; more than three times the rig count from fourth quarter 2020</u> ❑ World class operators prosecuting decade long plans on Falcon’s Eagle Ford position ❑ COP, EOG, and BP/DVN are currently running 12 rigs in the Karnes Trough <ul style="list-style-type: none"> – Falcon increasing rig capture in 2021 ❑ Karnes Trough is characterized by some of the lowest breakeven returns in North American shale ❑ Q4’20 net production of ~4,196 Boe/d ❑ ~0.27 net (34 gross) wells TIL during Q4’20 → ~1.91 net (139 gross) wells TIL in 2020 ❑ Added additional crude oil swaps for second quarter 2021 through fourth quarter 2021 at an average ~\$56 per barrel
<p>Falcon Highlights</p>	<ul style="list-style-type: none"> ❑ <u>Meaningful production growth expected in 2021 with zero capital expenditure or incremental acquisitions</u> ❑ High payout ratio → inception to date average payout ratio of 91% with aggregate dividends of \$1.09 per share ❑ Management focused on maintaining a low-cost structure ❑ Conservative balance sheet and disciplined acquisition strategy

(1) The 6 permitted Hooks Ranch wells will have extended laterals from an adjacent property into the Hooks Ranch position. The resulting NRI contribution from the 6 wells will be approximately 6.6% per well.

Recent Operator Commentary

Key Operators		
	 	
<ul style="list-style-type: none"> <input type="checkbox"/> Eagle Ford Outlook – 10-year commitment to Eagle Ford <input type="checkbox"/> Currently running 4 rigs in the Eagle Ford <input type="checkbox"/> ConocoPhillips (“COP”) stated in September that they are focused on the Eagle Ford, which represents the company’s lowest cost of supply <input type="checkbox"/> ~3,800 top-tier locations remaining <input type="checkbox"/> Maintained 4 rigs and ~2 frac crews across the Eagle Ford through pandemic <input type="checkbox"/> Built substantial DUC inventory of ~130+ wells in Lower 48 during 2020 <input type="checkbox"/> Average cost of supply in Lower 48 below ~\$30 / Bbl (10% IRR threshold) <input type="checkbox"/> Upside – ~300 refracs in 10-year plan, ~75% EUR increase from mechanical isolation refracs 	<ul style="list-style-type: none"> <input type="checkbox"/> Eagle Ford Outlook – 10+ years of inventory life in the Eagle Ford <input type="checkbox"/> Currently running 3 rigs in the Eagle Ford (all on Falcon’s acreage); expects to average 2 rigs in 2021 <input type="checkbox"/> Expect to bring online 22 high-impact DUCs in 1H 2021 <input type="checkbox"/> Successful redevelopment appraisal program during 1H’20 confirms resource upside and additional highly economic inventory <input type="checkbox"/> Upside – ~700+ potential refrac locations along with additional redevelopment / infill inventory 	<ul style="list-style-type: none"> <input type="checkbox"/> Eagle Ford Outlook – bellwether asset in “growth phase” with 10+ years of inventory remaining <input type="checkbox"/> Currently running 5 rigs in the Eagle Ford <input type="checkbox"/> Maintained 3 rigs / 3 frac crews across the Eagle Ford in 2020 <input type="checkbox"/> ~145 net Eagle Ford wells expected to TIL in 2021 <input type="checkbox"/> ~1,900 net undrilled premium locations in the Eagle Ford <input type="checkbox"/> ~6% reduction in Eagle Ford well costs expected in 2021 compared to 2020 levels <input type="checkbox"/> Upside – targeting Enhanced Oil Recovery (EOR) program with over 200 wells identified

10-year commitment to the Eagle Ford across key operators

Development Activity

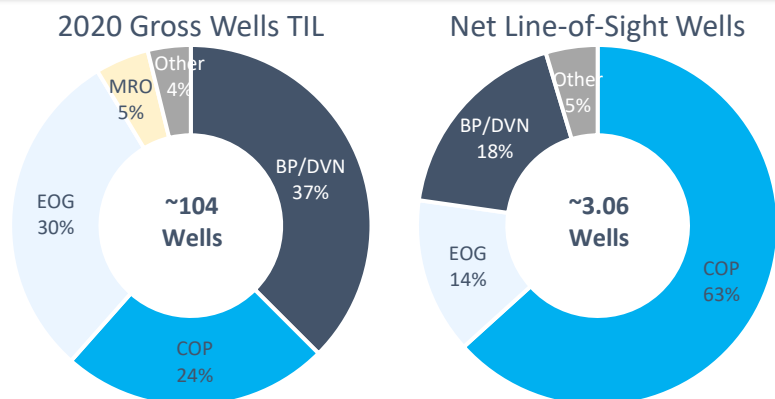
2021 Highlights

- 7 rigs currently on Falcon's Eagle Ford assets; more than three times the rig count from Q4'20
- 5 high NRI gross wells (~0.50 net) TIL in Q1'21 and another 6 high NRI gross wells (~0.45 net) expected to be TIL late in first quarter → expected to bolster production growth in Q2'21
- Additional 225 gross and 2.11 line-of-sight wells expected to TIL over the next 12 months
- Anticipated production from 6 well Hooks Ranch pad (~0.40 net)⁽¹⁾ in Q4'21

2020 Development

	Active Rigs	Gross TIL	Average NRI	Net TIL
Q1'20	7	65	~2.23%	~1.45
Q2'20	3	26	~0.50%	~0.13
Q3'20	2	14	~0.36%	~0.05
Q4'20	2	34	~0.79%	~0.27
2020 Average / Total	4	139	~1.37%	~1.91

Falcon Eagle Ford Wells by Operator



Eagle Ford Line-of-Sight Development (February 2021)

	Gross Wells	Average NRI	Net Wells
Permitted	109	1.26%	1.37
Waiting on Completion	111	1.06%	1.17
Waiting on Connection	16	3.24%	0.52
Total	236	1.30%	3.06

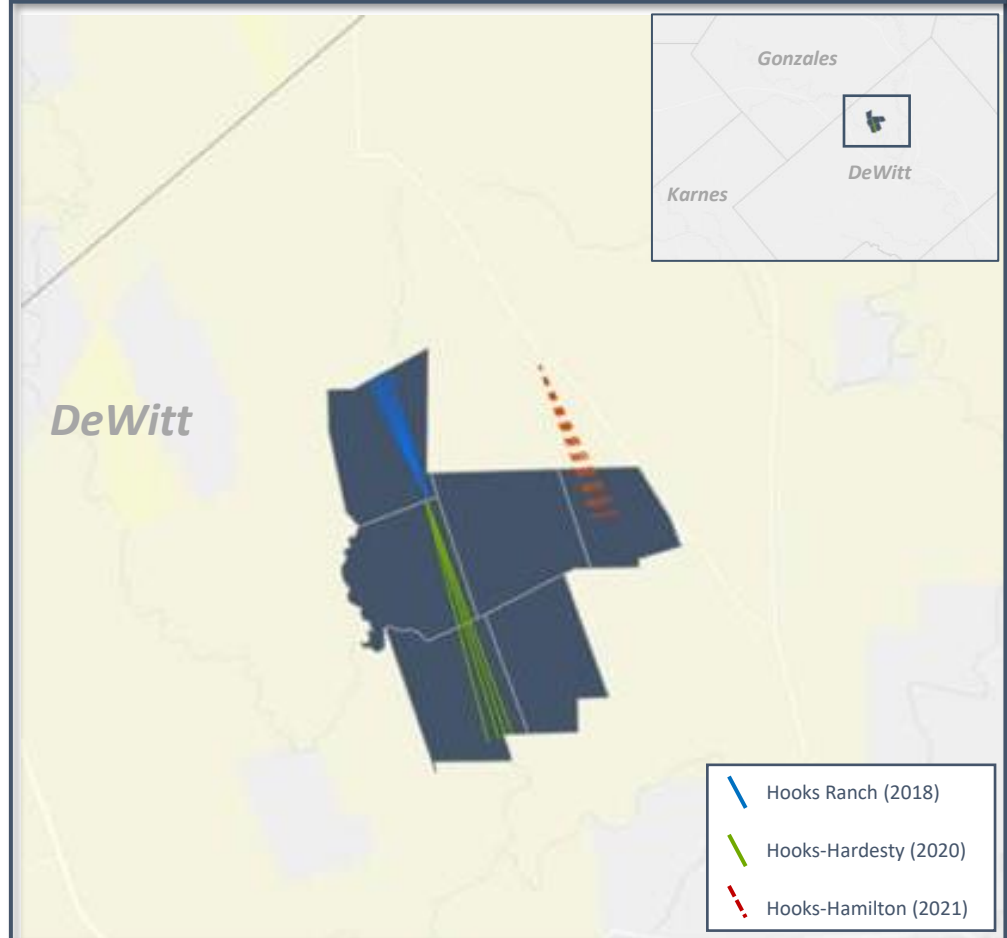
(1) The 6 permitted Hooks Ranch wells will have extended laterals from an adjacent property into the Hooks Ranch position. The resulting NRI contribution from the 6 wells will be approximately 6.6% per well.

Hooks Ranch Update

Hooks Ranch Overview / Development Update

- ❑ Falcon Minerals has a 22.5% royalty interest in ConocoPhillips' Hooks Ranch position
 - 75%+ undeveloped
 - 100% HBP and operated by ConocoPhillips
- ❑ **ConocoPhillips permitted 6 new Hooks Ranch wells during September 2020**
- ❑ Wells are expected to be TIL in Q4'21
 - 4 Lower Eagle Ford / 2 Upper Eagle Ford
 - Wells will have extended laterals from adjacent properties into the Hooks unit
- ❑ Four Hooks Ranch wells TIL on February 7, 2020
- ❑ Wells have lateral lengths of ~11,000'
 - Wells drilled from Hooks Ranch lease and extend into the Hardesty unit
- ❑ 6-well pad (4 Lower Eagle Ford, 2 Upper Eagle Ford) TIL in February 2018
 - Wells in top decile of returns in basin

Hooks Ranch Units



Financial Overview

Q4'20 Overview

- ❑ Announced Q4'20 dividend of \$0.075 per Class A share
 - \$1.09 per share in dividends since inception
- ❑ Adjusted EBITDA of \$7.5 million for Q4'20 (excluding \$0.8 million of expenses associated with the strategic review process)
- ❑ Maintained low leverage profile → 1.39x net debt / LTM EBITDA at Q4'20 ⁽¹⁾

Pro Forma Capitalization as of December 31, 2020	
Cash	\$2.7mm
Revolving Credit Facility Borrowing	\$39.8mm
Net Debt	\$37.1mm
Borrowing Base	\$70.0mm
Net Debt to LTM EBITDA ⁽¹⁾	1.39x

(1) Calculated by dividing the sum of total debt outstanding less total cash on hand as of December 31, 2020 by Adjusted EBITDA for the trailing 12 month period.

Hedge Program Overview

Overview

- ❑ Falcon currently has crude volumes swapped quarterly in 2021
- ❑ Falcon established a natural gas costless collar during Q3'20 and currently has volumes hedged monthly in Q1'21
 - Put strikes and call strikes priced by quarter
- ❑ Opportunistic hedge program designed to secure attractive cash flow per share

Crude Oil Swaps		
Date	Swap Volumes (Bbls/d)	Swap Price (\$ / Bbl)
Q1'21	1,087	\$40.44
Q2'21	1,096	\$57.85
Q3'21	940	\$56.29
Q4'21	836	\$54.85

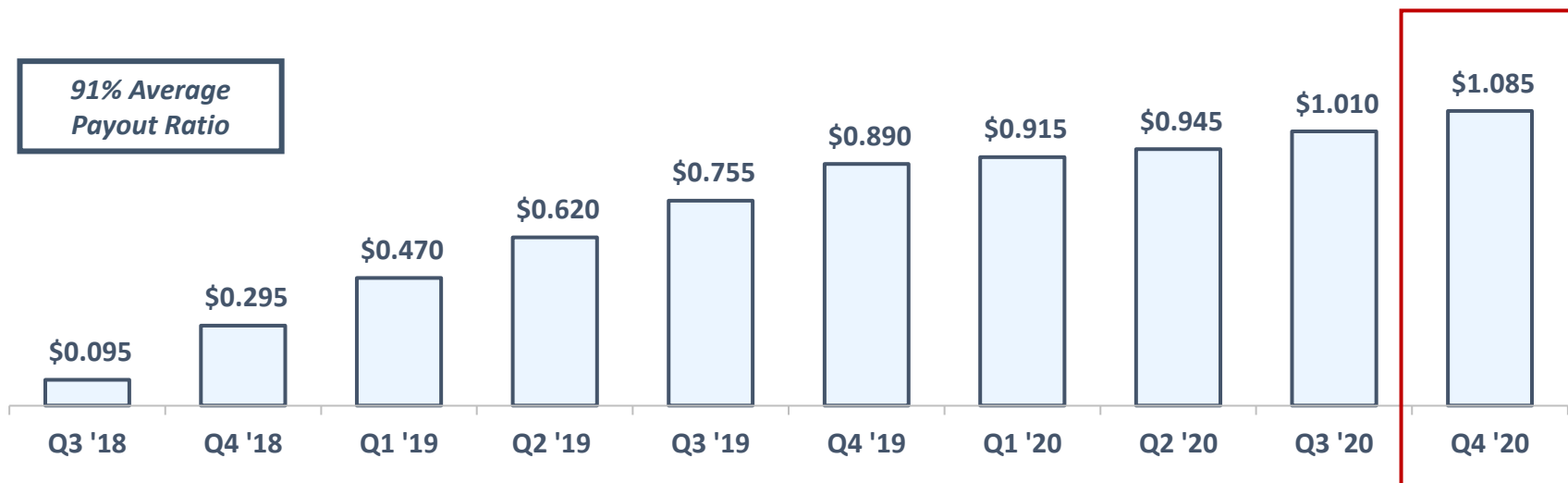
Natural Gas Costless Collars			
Date	Collar Volumes (Mcf/d)	Put Strike	Call Strike
January 2021	5,194	\$3.15	\$3.55
February 2021	5,500	\$3.15	\$3.55
March 2021	4,806	\$3.15	\$3.55

Dividend Payouts and Sustainability

Favorable Tax Treatment of Dividends

- ❑ Falcon announced fourth quarter 2020 dividend of \$0.075 per share → \$1.09 of cumulative dividends since inception
- ❑ **Falcon expects that substantially all of dividends paid to Class A shareholders during 2020 will be classified as non-dividend distributions in 2020 and therefore represent a reduction of basis rather than ordinary income**
 - Non-dividend distributions are treated as a reduction of basis until such time that the investors' basis is fully recovered
 - Falcon generates non-dividend distributions due to the Company's high payout ratio coupled with the step up in the tax basis of Falcon's minerals interests that was received as a part of the transaction with Royal Resources in 2018

Cumulative Dividends Per Share

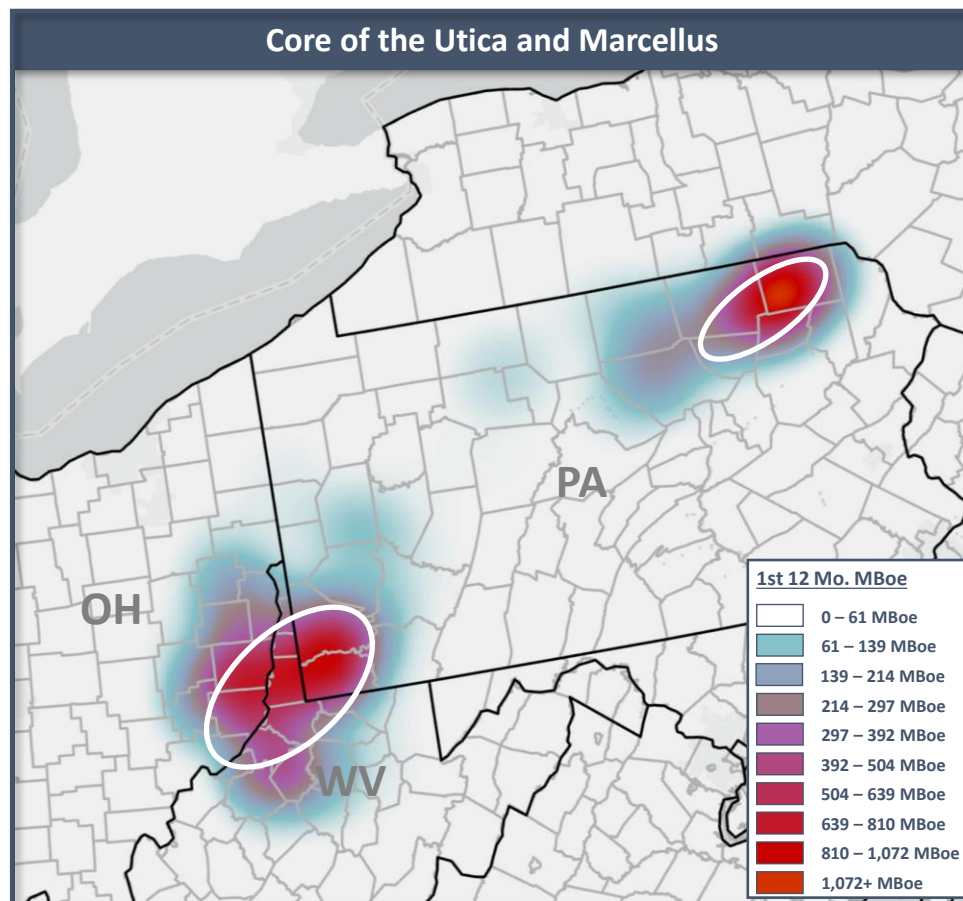


Note: This expected favorable tax treatment is the result of certain non-cash expenses (principally depletion) substantially offsetting Falcon's taxable income and tax "earnings and profit." Our estimates of the tax treatment of Falcon's earnings and dividends are based upon assumptions regarding the capital structure and earnings of Falcon Minerals Operating Company LP ("OpCo"), the capital structure of Falcon and the amount of the earnings OpCo allocates to Falcon. Many factors may impact these estimates, including changes in drilling and production activity, commodity prices, future acquisitions, or changes in the business, economic, regulatory, legislative, competitive or political environment in which Falcon operates. These estimates are based on current tax law and tax reporting positions that we have adopted and with which the Internal Revenue Service could disagree. These estimates are not fact and should not be relied upon as being necessarily indicative of future results, and no assurances can be made regarding these estimates. Investors are encouraged to consult with their tax advisor on this matter.

Appalachia Asset Overview

Falcon's Appalachia assets are located in the core of the Utica and Marcellus under premier operators

Asset Overview	
Gross Unit Acres	~80,000 acres
Net Royalty Acres ⁽¹⁾	~1,530 acres (~1.6% NRI)
Producing Wells	~399 wells
Key Operators	COG, EQT, CHK, SWN, Tug Hill
Rig Count	4 rigs
Waiting on Connection ⁽²⁾	8 gross / 0.06 net
Waiting on Completion ⁽²⁾	29 gross / 0.09 net
Permits ⁽²⁾	33 gross / 0.31 net



Appalachia assets provide additional upside to improved gas prices

(1) Net royalty acres include unleased acreage. NRI based on DSU averages.

(2) Marcellus line-of-sight not included in line-of-sight numbers on page 4.

Key Takeaways

Meaningful production growth expected in 2021 with zero capital expenditure or incremental acquisitions

Multiple high NRI pads expected to TIL throughout 2021

Inception to date average payout ratio of 91% with aggregate dividends of \$1.09 per share

Conservative balance sheet → less than \$38 million of net debt as of December 31, 2020

Highest quality operators with long-term commitment to Falcon's Eagle Ford position