



**PRAIRIE**  
OPERATING CO

# Accelerating Shareholder Value

## Transformational Acquisition of Premier DJ Basin Assets

February 2025

# Disclaimers and Forward Looking Statements



## Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included in this presentation regarding the strategy, future operations, financial position, estimated reserves, revenues and income or losses, projected costs and capital expenditures, prospects, acquisition opportunities, plans and objectives of management of Prairie Operating Co. and its consolidated subsidiaries ("Prairie," "we," "us," "our" and the "Company") are forward-looking statements. When used in this presentation, the words "plan," "endeavor," "will," "would," "could," "believe," "anticipate," "intend," "estimate," "expect," "project," "forecast" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are (or were when made) based on current expectations and assumptions about future events and are (or were when made) based on currently available information as to the outcome and timing of future events. Forward-looking statements in this presentation may include, for example, statements about: our ability to successfully finance and consummate the Bayswater Acquisition; our financial performance following the Bayswater Acquisition, the Nickel Road acquisition and the other transactions described in this presentation; estimates of oil, natural gas and NGLs reserves of our oil, gas and NGLs; estimates of the future oil and natural gas production from our oil and gas assets, including estimates of any increases or decreases in production; the availability and adequacy of cash flow to meet our requirements; the availability of additional capital for our operations; changes in our business and growth strategy, including our ability to successfully operate and expand our business; changes or developments in applicable laws or regulations, including with respect to taxes; and actions taken or not taken by third-parties, including our contractors and competitors.

When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, as amended. We caution you that these forward-looking statements are subject to all of these risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to: our and Bayswater's ability to satisfy the conditions to the Bayswater PSA in a timely manner or at all, including our ability to successfully finance the Bayswater Acquisition; our ability to recognize the anticipated benefits of the Bayswater Acquisition, the Nickel Road acquisition and the other transactions described in this presentation, which may be affected by, among other things, competition and our ability to grow and manage growth profitably following the Bayswater Acquisition, the Nickel Road acquisition and such other transactions; our ability to fund our development and drilling plan using generated free cash flow without utilizing leverage; the possibility that we may be unable to achieve expected free cash flow accretion, production levels, drilling, operational efficiencies and other anticipated benefits within the expected time-frames, or at all, and to successfully integrate the assets we will purchase pursuant to the Bayswater Acquisition, the assets that we purchased pursuant to the Nickel Road acquisition and/or any other assets or operations we have acquired or may acquire in the future with those of the Company; our integration of the assets we will purchase pursuant to the Bayswater Acquisition and/or the assets that we purchased pursuant to the Nickel Road acquisition with those of the Company may be more difficult, time-consuming or costly than expected; our operating costs, customer loss and business disruption may be greater than expected following the Bayswater Acquisition or the public announcement of the Bayswater Acquisition; our ability to grow our operations, and to fund such operations, on the anticipated timeline or at all; uncertainties inherent in estimating quantities of oil, natural gas and NGLs reserves and projecting future rates of production and the amount and timing of development expenditures; commodity price and cost volatility and inflation; our ability to obtain and maintain necessary permits and approvals to develop our assets; safety and environmental requirements that may subject us to unanticipated liabilities; changes in the regulations governing our business and operations, including the businesses, assets and operations we have acquired or may acquire in the future, such as, but not limited to, those pertaining to the environment, our drilling program and the pricing of our future production; our success in retaining or recruiting, or changes required in, our officers, key employees or directors; general economic, financial, legal, political, and business conditions and changes in domestic and foreign markets; the risks related to the growth of our business; the effects of competition on our future business; and other factors detailed our periodic filings with the Securities and Exchange Commission ("SEC").

Should one or more of the risks or uncertainties described in this presentation occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements, expressed or implied, included in this presentation are expressly qualified in their entirety by this disclaimer. This disclaimer should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect new information obtained or events or circumstances that occur after the date any such forward-looking statement is made.

## Bayswater Acquisition

On February 6, 2025, we entered into a Purchase and Sale Agreement (the "Bayswater PSA") with Bayswater Resources, LLC, Bayswater Fund III-A, LLC, Bayswater Fund III-B, LLC, Bayswater Fund IV-A, LP, Bayswater Fund IV-B, LP, Bayswater Fund IV-Annex, LP and Bayswater Exploration & Production, LLC (collectively, "Bayswater"), pursuant to which we agreed to acquire certain assets from Bayswater for a purchase price of \$602.75 million, subject to certain closing price adjustments, which we refer to herein as the "Bayswater Acquisition." We expect the Bayswater Acquisition to close in February 2025, subject to completion of the entering into and completion of the amended and restated credit agreement that we expect to enter into in connection with the Bayswater Acquisition to fund a portion of the purchase price of the Bayswater Acquisition and other customary closing conditions, with an economic effective date of December 1, 2024. We expect to fund the Bayswater Acquisition with the proceeds from one or more capital markets transactions, subject to market conditions and other factors, borrowings under such amended and restated credit agreement and cash on hand.

## No Offer or Solicitation

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any offer or sale of these securities, in any state or jurisdiction in which such offer, solicitation or sale would be unlawful.

## Pro Forma and Projected Information

This presentation contains certain pro forma and projected information, including projected pro forma information that reflects our current expectations and assumptions regarding the effect that the pending Bayswater Acquisition and other transactions would have had they been completed at an earlier date. This pro forma information does not purport to present the results that would have actually occurred had these transactions been completed on the assumed dates, or that we may realize if these transactions are completed.

## Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA, Leverage, and PV-10, intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided in the appendix. Numbers in this presentation may not sum due to rounding.

## Industry and Market Data

The market data and certain other statistical information included in this presentation are based on independent industry publications, government publications, filings, press releases and presentations by other companies, and other published independent sources. Some data is also based on our good faith estimates. Although we have no reason to believe these third-party sources are not reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information. Our business is subject to uncertainties and risks due to a variety of factors, including those described under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 19, 2024, as amended. These and other factors could cause results to differ materially from those expressed in these publications.

## Oil and Gas Reserves

References to our estimated proved reserves are derived from the reserve reports prepared by Cawley Gillespie & Associates, Inc., the Company's independent petroleum engineers. Reserve engineering is a process of estimating underground accumulations of oil and natural gas 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 reservoir engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, our reserve and PV-10 estimates may differ significantly from the quantities of oil, natural gas and NGLs that are ultimately recovered.

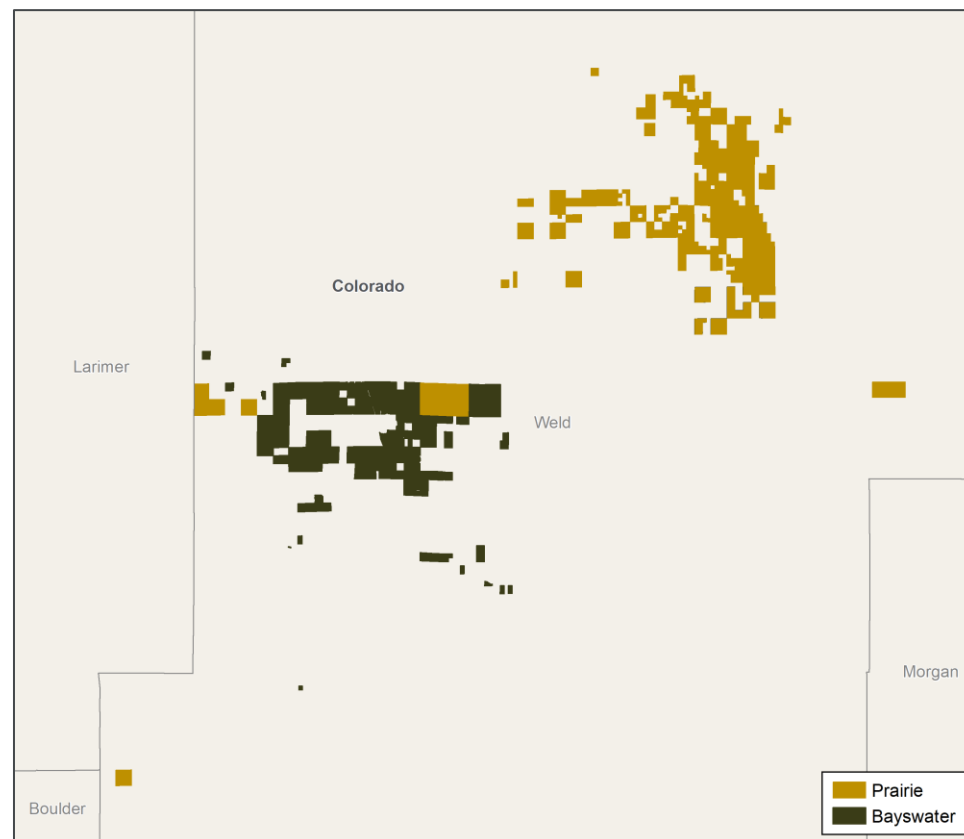
# Accretive Acquisition Accelerates Shareholder Value



Prairie to acquire high-quality DJ Basin Assets from Bayswater for \$602.75mm for cash and stock.

## Transaction Highlights<sup>1</sup>

- Substantial increase in oil-weighted production
- Provides immediate scale and operating leverage
- Expands footprint / inventory life
- Significantly increases free cash flow
- Accelerates growth strategy and development opportunities
- Optimizes capital structure and increases liquidity
- Meaningful infrastructure synergies
- Attractive valuation metrics:
  - PV20 of Proved Developed Producing (“PDP”) reserves
  - \$23,500 per net flowing boe



## Transaction Consideration and Timeline

- Cash consideration expected to be funded via cash on hand, borrowings under the Company’s credit facility and proceeds from one or more capital markets transactions (subject to market conditions and other factors)
- Expected to close in February, 2025

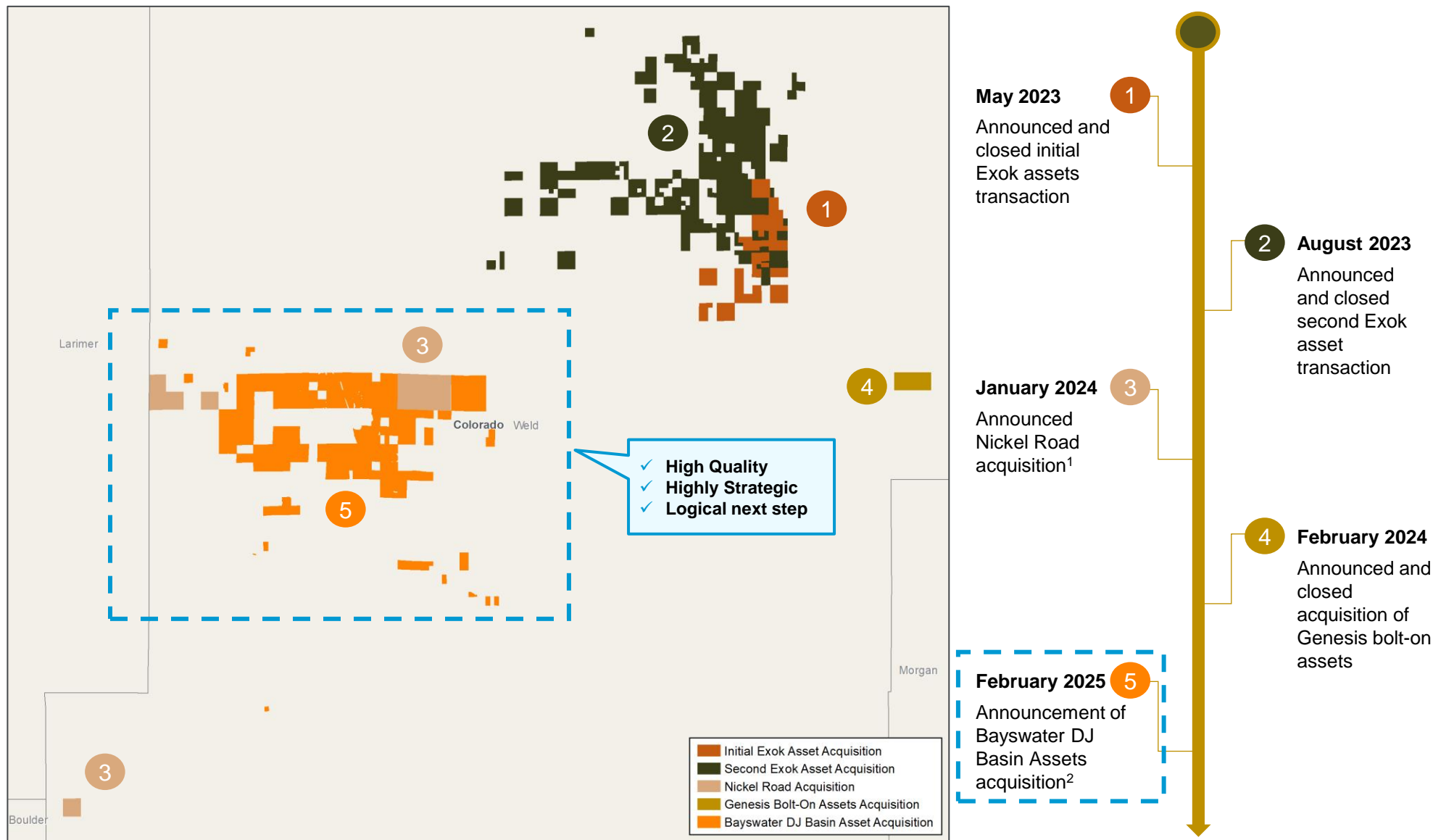
	Prairie	Bayswater	Pro Forma	
<b>Daily Production</b> (mboepd)	2	26	28	+1,500%
<b>Net Acres</b>	~30,000 <sup>2</sup>	~24,000	~54,000 <sup>2</sup>	+80%
<b>Locations</b> (gross op. locs.)	517 <sup>3</sup>	69 <sup>3</sup>	586	+13%

1) The Bayswater Acquisition has not yet been consummated and the purchase price is subject to customary adjustments. The closing of the Bayswater Acquisition is subject to our successful completion of necessary financing transactions and satisfaction of customary closing conditions. See slide 2.  
 2) Includes ~7,000 net acres contracted but yet to close.  
 3) Including PDNP.

# Transformational in Scale, Consistent in Strategy



Transaction builds on proven track-record of executing value-accretive acquisitions and represents the logical next step in the continuation of Prairie's growth-oriented shareholder value strategy.



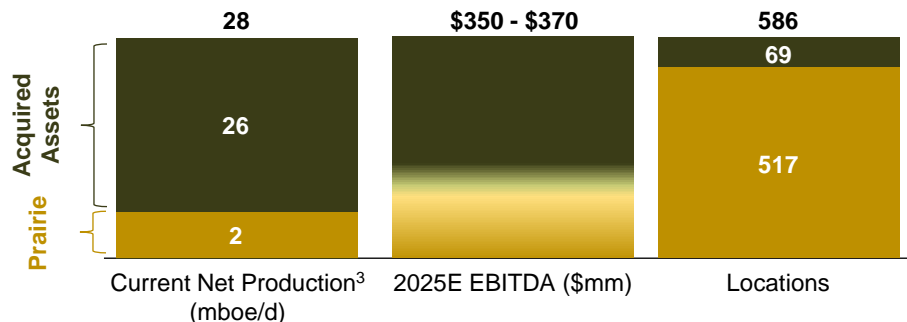
1) Nickel Road acquisition closed on October 1, 2024.  
2) The Bayswater Acquisition has not yet been consummated. See slide 2.

# Complementary Assets Significantly Increase Production

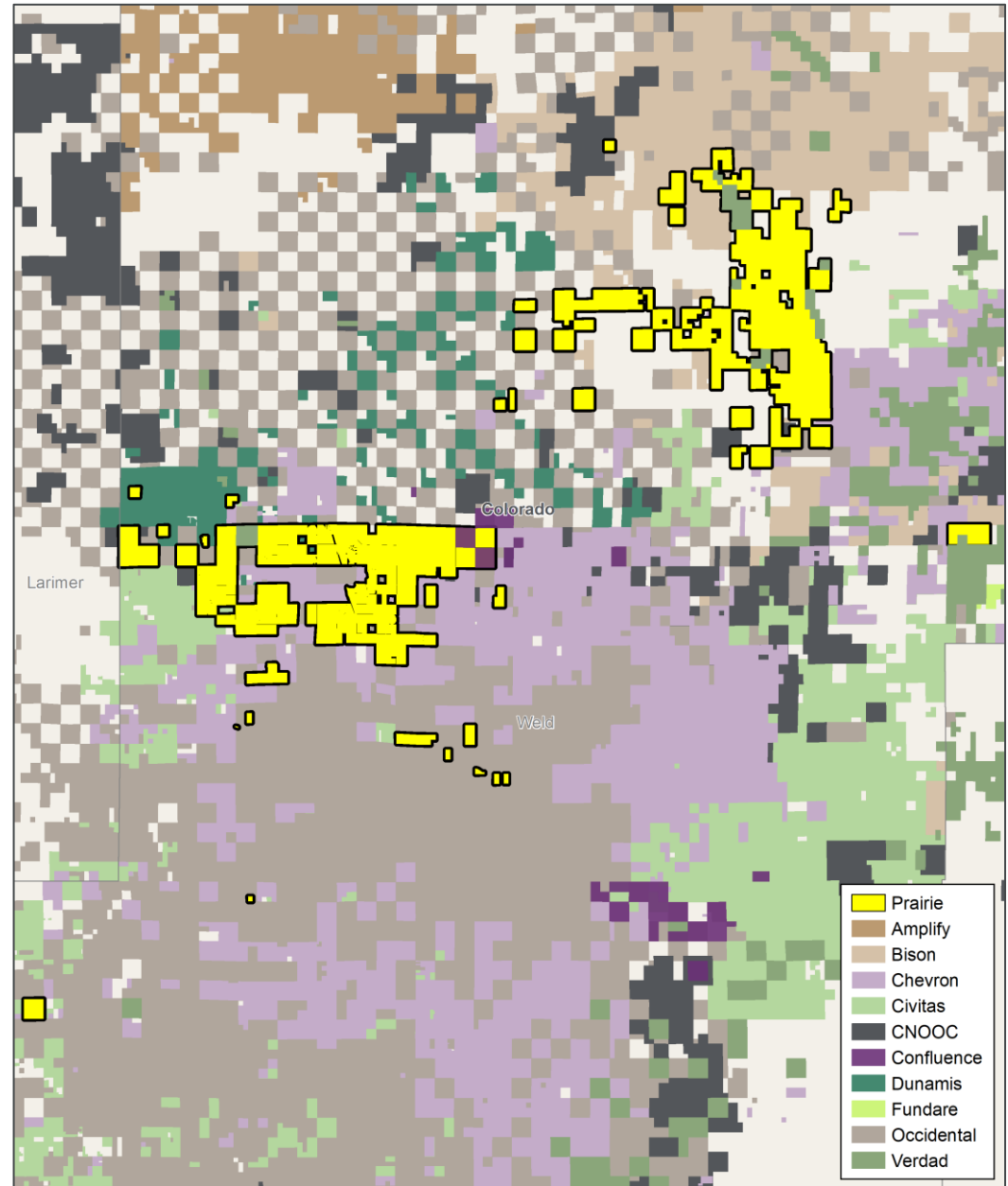
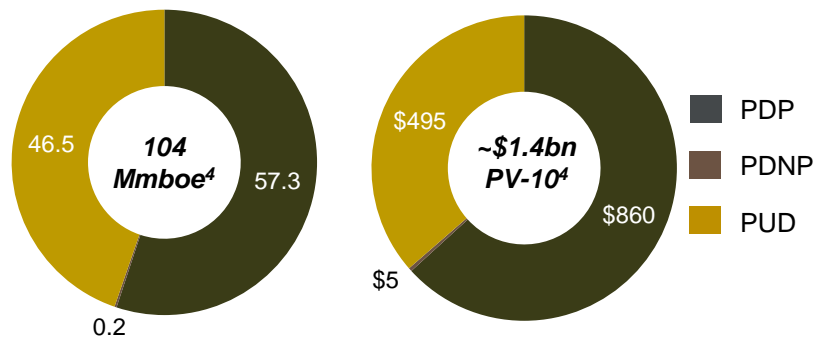


## Highly-Attractive Combined Asset Profile<sup>1</sup>

- **Liquids-rich production** in rural Weld County
- **Blocky position** with access to infrastructure and midstream
- **Low-breakeven inventory** backlog of 586 gross operated locations with approximately 10 years of life<sup>2</sup>
- Highly-complementary to Prairie's existing operations, **generating significant cash flow** across the combined footprint...



- ... establishing a balanced, highly attractive pro forma portfolio of proven resources

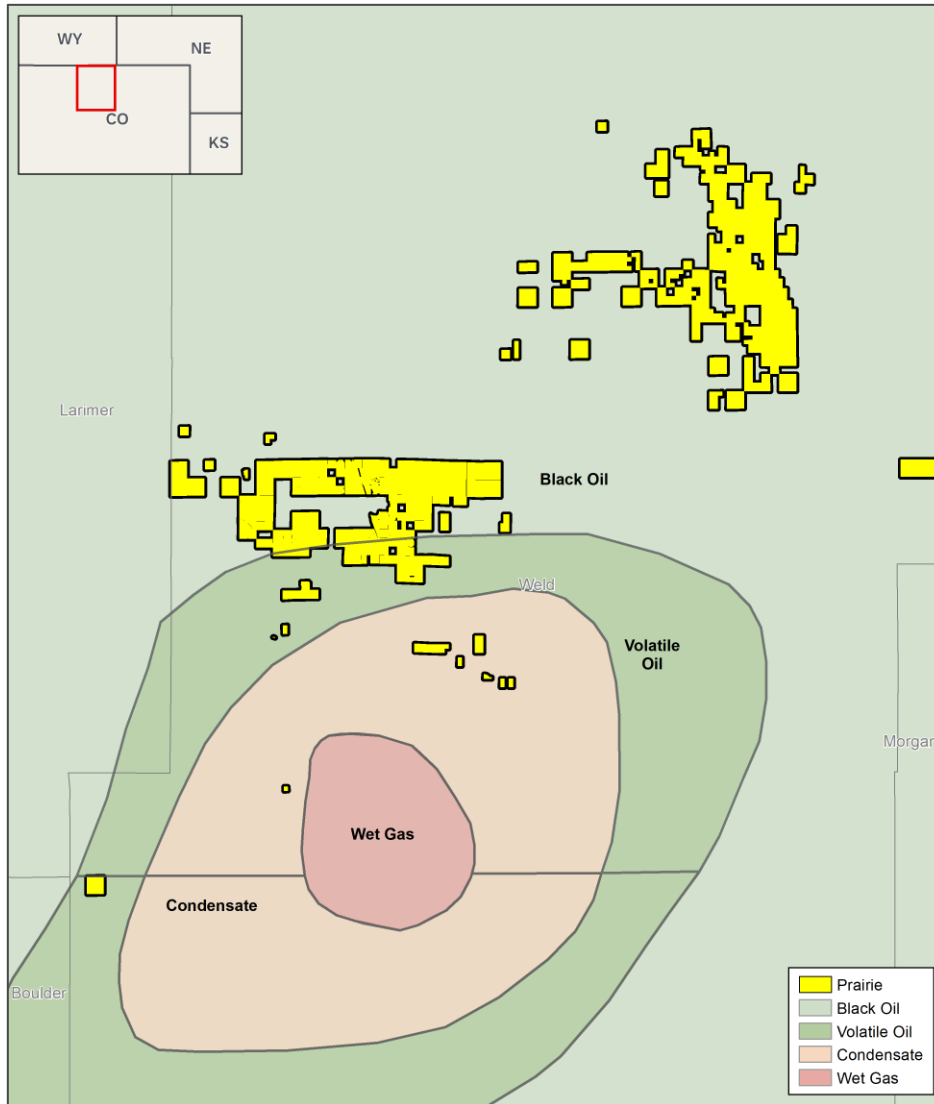


Source: Management, Enverus.  
 1) Assumes closing of Bayswater Acquisition. See slide 2.  
 2) At one rig (60 wells) per year pace.  
 3) Current production based on December 2024, the first month pro forma for the Bayswater transaction.  
 4) As of November 30, 2024; Based on SEC pricing as of November 30, 2024.

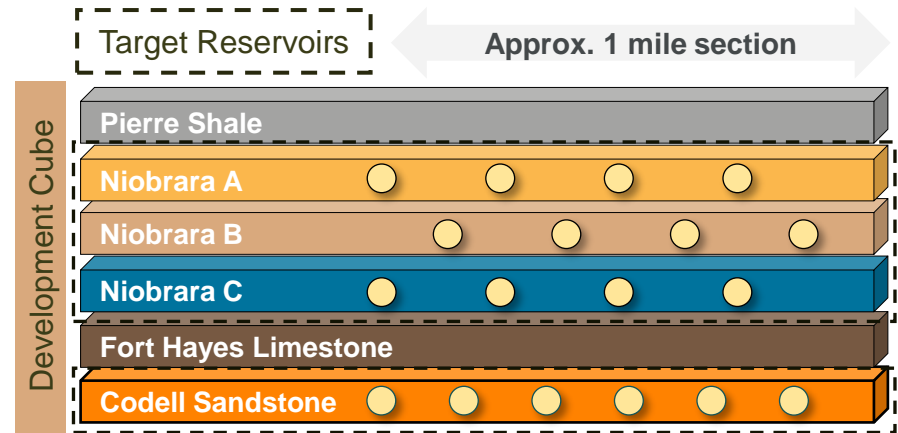
# Accelerates High-Return Development in Attractive DJ Basin



## Prairie Operating Co. Pro Forma Asset Overview Map<sup>1,4</sup>



## DJ Basin Development Cube



**Niobrara / Codell horizontal developed at up to 18 wells per section<sup>1</sup>**

- Niobrara chalks (A, B, C) and Codell formations are primary target benches in DJ Basin with ongoing, stacked co-development
- Pro forma Prairie holds ~54,000 net acres<sup>2</sup> with 586 gross operated locations and ~500<sup>3</sup> total PDP wells<sup>4</sup>
- DJ development has been expanding and moving in the direction of Prairie assets over the last 5-10 years
- Over 350' of target section across 4 full benches<sup>1</sup>

Source: Management.

1) Thickness varies across the basin.

2) Includes ~7,000 net acres contracted but yet to close.

3) 334 gross operated PDP wells.

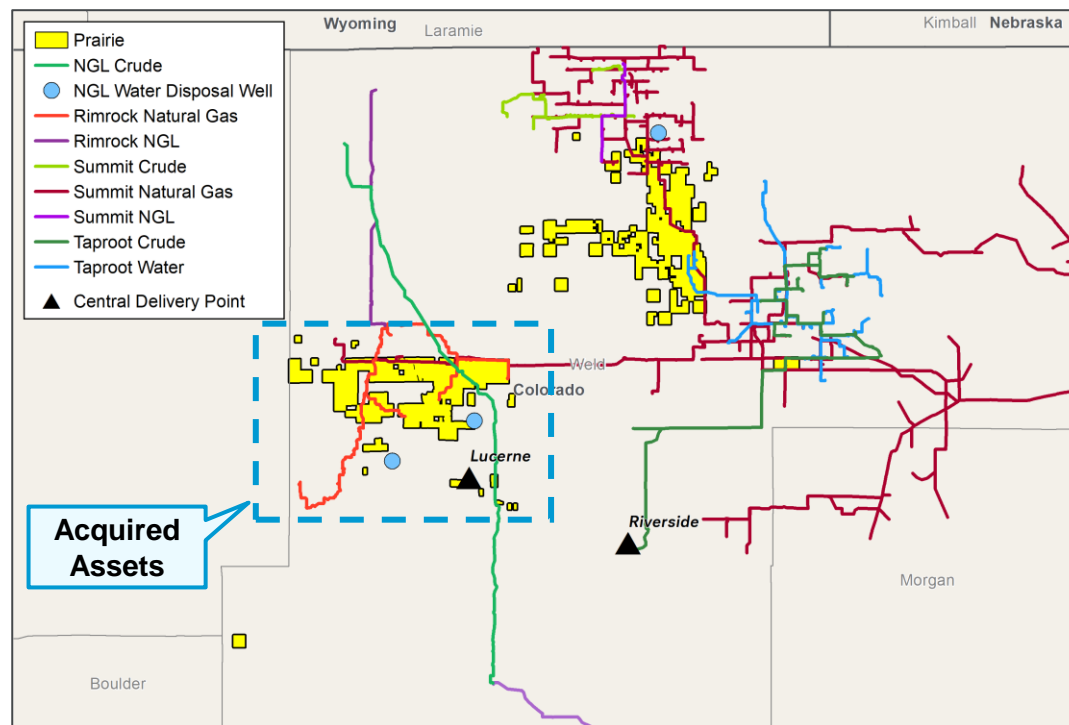
4) Assumes closing of Bayswater Acquisition. See slide 2.



# Expanded Footprint with Access to Midstream Takeaway



Commodity	Midstream Agreement
Oil	<ul style="list-style-type: none"> <li>✓ NGL Oil Transport and Sales Agreement</li> <li>✓ Taproot Energy Partners Oil Gathering Agreement</li> </ul>
Gas	<ul style="list-style-type: none"> <li>✓ Rimrock Energy Partners G&amp;P Agreement</li> <li>✓ Summit Midstream G&amp;P Agreement</li> </ul>
Water	<ul style="list-style-type: none"> <li>✓ NGL Energy Partners Water Disposal Agreement</li> <li>✓ Taproot Energy Partners Water Transfer Agreement</li> </ul>



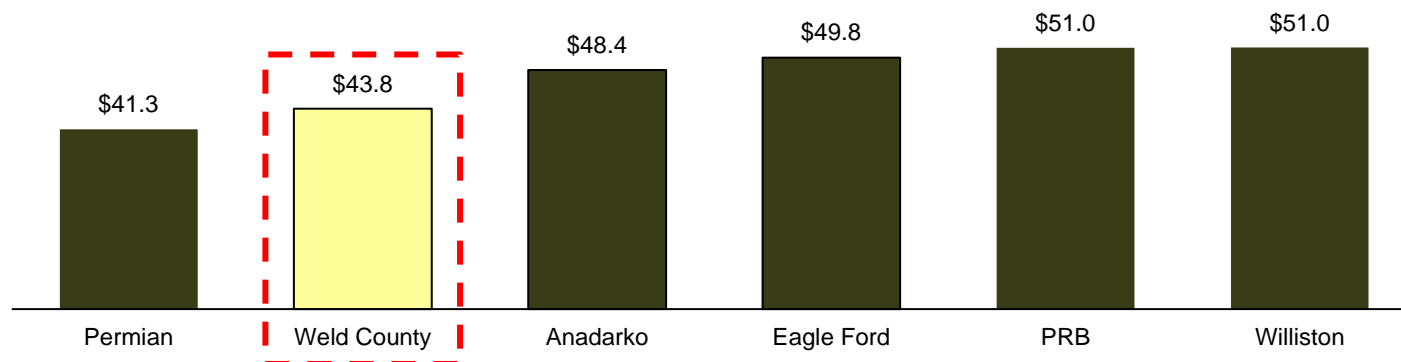
***Advantageous gathering contracts  
and increasing volume commitments  
result in operational flexibility and  
economic uplift via strong  
commodity price realizations***



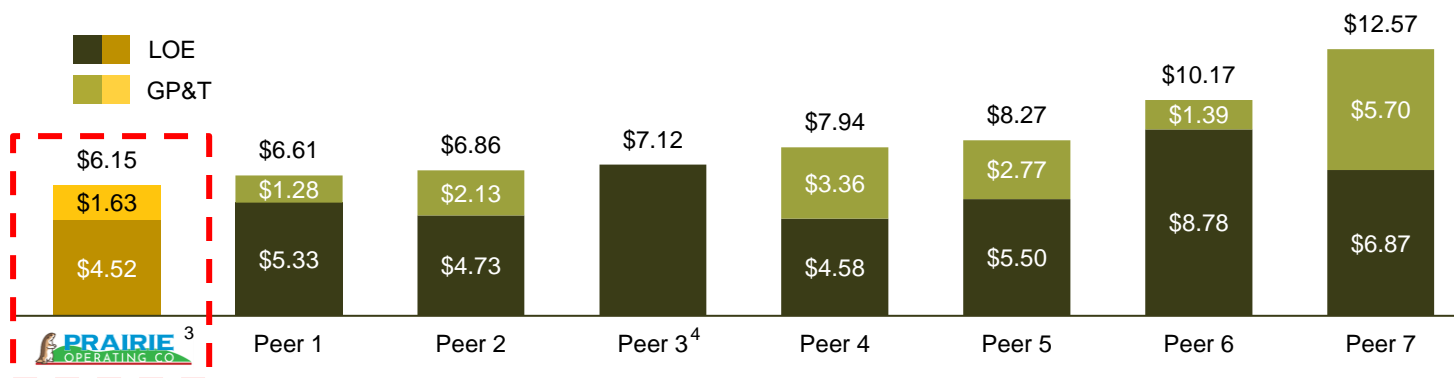
# Reinforces Prairie's Low-Cost Operating Position



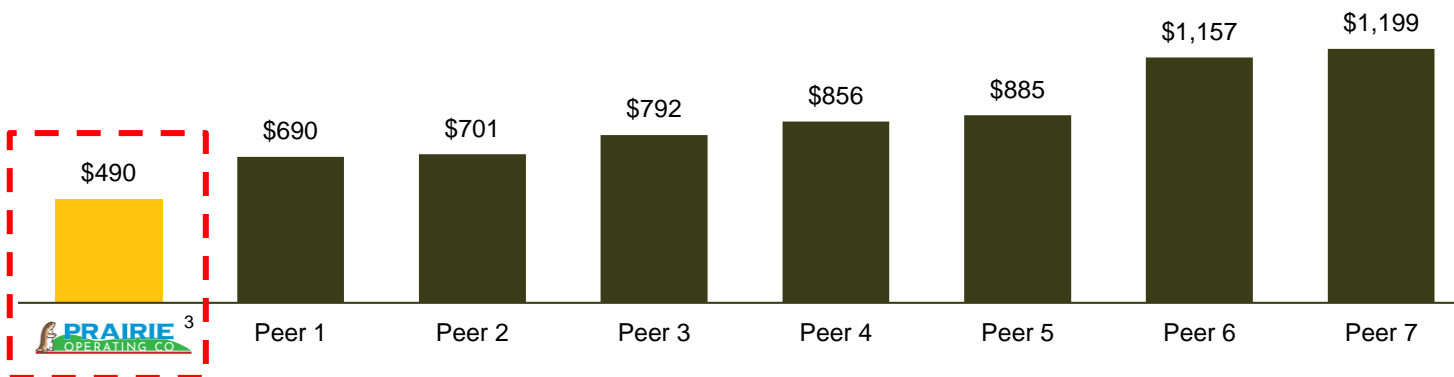
## Breakeven Prices<sup>1</sup> (\$/bbl)



## Variable Costs<sup>2</sup> (\$/boe)



## Drilling & Completion Costs<sup>5</sup> (\$/ft)



Source: Management estimates, public filings, Enverus.

Note: Peers shown include CIVI, CRGY, HPK, MGY, MTD, SM, VTLE.

1) Includes horizontal wells only, vintage years 2020-2024 and assumes 20:1 WTI/NYMEX.

2) Does not include production taxes or G&A.

3) Assumes closing of Bayswater Acquisition. See slide 2.

4)

Does not bifurcate LOE / GP&T.

5)

Includes horizontal wells only, vintage years 2020-2024.



# Optimizes Capital Structure and Improves Liquidity



## Consideration and Funding Structure

- \$602.75mm headline purchase price (12/1/2024 effective date)
- Estimated \$500mm cash due to seller at close<sup>1</sup> after impact of purchase price adjustments related to effective date
- Closing cash consideration to be funded via:
  - ~\$315mm incremental borrowings on new \$475mm RBL facility
  - ~\$200mm proceeds from one or more capital markets transactions (subject to market conditions and other factors)

## Prairie Operating Capitalization<sup>2</sup>

(\$mm, other than  
per share metrics)

	Prairie Standalone	Adj. <sup>3</sup>	Pro Forma <sup>3</sup>
Share Price	\$8.52		\$8.52
Common Shares	26.2	23.8	50.1
<b>Market Capitalization</b>	<b>\$224</b>		<b>\$426</b>
Cash & Cash Equivalents	3	--	3
Convertible Promissory Note	4	(4)	--
Subordinated Promissory Note	3	(3)	--
Long Term Debt	34	315	349
<b>Total Debt</b>	<b>\$37</b>		<b>\$349</b>
Leverage			1.0x
<b>Total Capitalization</b>	<b>\$261</b>		<b>\$775</b>

## Structure Highlights

### RBL Funding

- ✓ Upsizes RBL facility to \$475mm<sup>3</sup>
- ✓ Expands bank group relationships
- ✓ Increases funding liquidity
- ✓ Lowers cost of capital

### Potential Capital Markets Offerings

- ✓ Potential to improve company free float
- ✓ Ability to improve shareholder trading liquidity
- ✓ Opportunity to attract new investors
- ✓ Preserves balance sheet flexibility

Source: FactSet, Management. Market data as of 2/5/2025

1) Assumes February 15, 2025 close date.

2) As of 1/31/2025.

3) Adjusted Pro Forma amounts give effect to potential capital markets transactions, the completion of the Bayswater Acquisition and the completion of our New Credit Agreement. The Bayswater Acquisition and our New Credit Agreement are not complete and subject to certain conditions. See slide 2.

# Cements Prairie's Differentiated Value Proposition...



**Strategic, Contiguous, Oily Acreage Position in the Heart of the DJ Basin in Rural Weld County**

**DJ Basin Advantage: Low-Cost Operations and Highly-Predictable Well Results Expected to Drive Strong Free Cash Flow and Attractive Returns**

**Double Digit Organic Growth Profile with Approximately 10 Years<sup>1</sup> of Low-Breakeven Inventory**

**Robust Acquisition Pipeline and Enhanced Capital Deployment Flexibility**

**Advantaged / Contracted Midstream Portfolio Provides Ample Capacity to Support Differentiated Growth Profile**

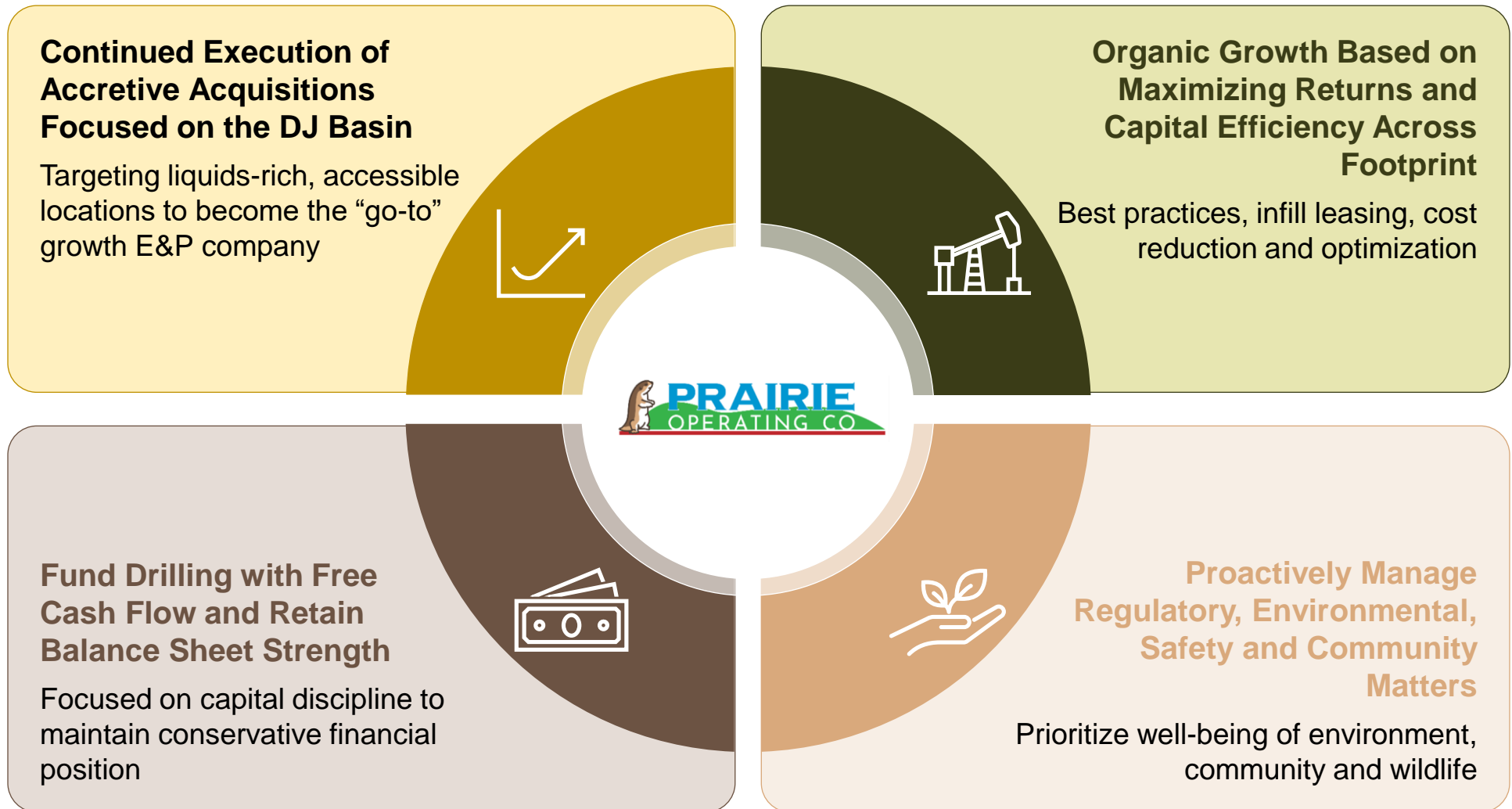
**Strong Balance Sheet (~1.0x Leverage<sup>2</sup>) Protects Against Volatility and Maximizes Flexibility to Execute Long-Term Strategic Vision**

1)  
2)

At one rig (60 wells) per year pace.

Leverage defined as expected debt at close divided by Adjusted EBITDA for the nine months ended 9/30/2024 on an annualized basis. Prairie EBITDA is post cash G&A. Does not reflect impact of Prairie cost structure or G&A on Bayswater assets, including incremental G&A, if any. See Appendix for non-GAAP metric reconciliations.

## ... and Propels Prairie's Growth Strategy into its Next Chapter







# Appendix



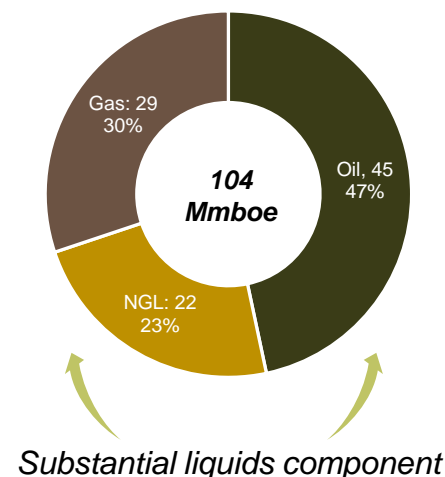
# Acquisition Significantly Expands PDP Base to Support Development



Low base decline supports stable cash flow profile and reduces capex need.

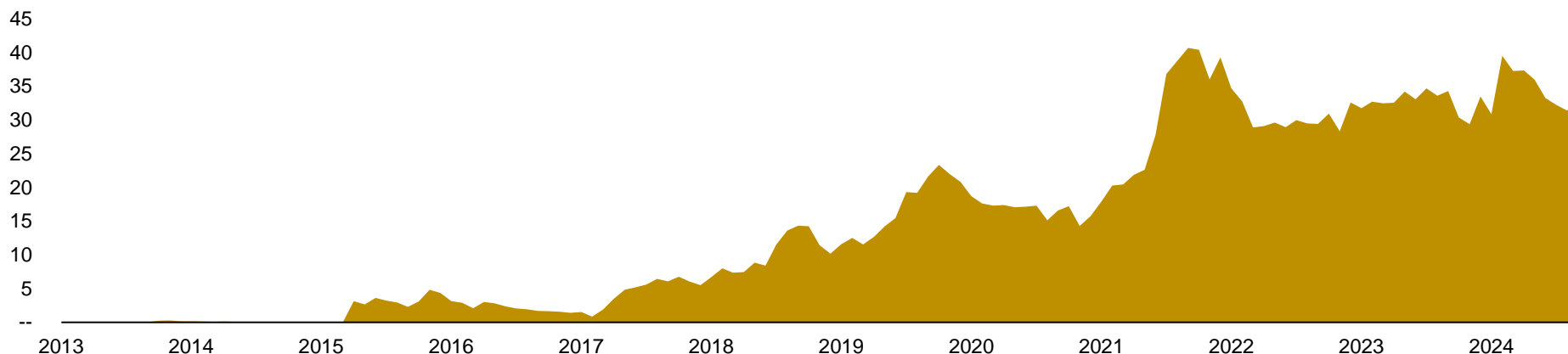
Reserve Category	Pro Forma Net Reserves <sup>1</sup>					
	Oil (MBbl)	NGL (MBbl)	Gas (MMcf)	Total (MBoe)	Liquids (%)	PV-10 (\$MM)
Proved Developed Producing (PDP)	23,581	14,810	113,611	57,326	67%	\$860
Proved Developed Not Producing (PDNP)	173	26	216	235	85%	\$5
Proved Undeveloped (PUD)	25,547	8,970	72,088	46,531	74%	\$495
<b>Total Proved</b>	<b>49,301</b>	<b>23,806</b>	<b>185,914</b>	<b>104,093</b>	<b>70%</b>	<b>\$1,360</b>

Proved Reserves by Commodity (Mmboe)



## Historical Production through December 2024

### Net Production (Mboe/d)



Source: Company-provided reserve reports; Cawley, Gillespie & Associates, Inc.

Note: PV-10 is a non-GAAP financial measure.

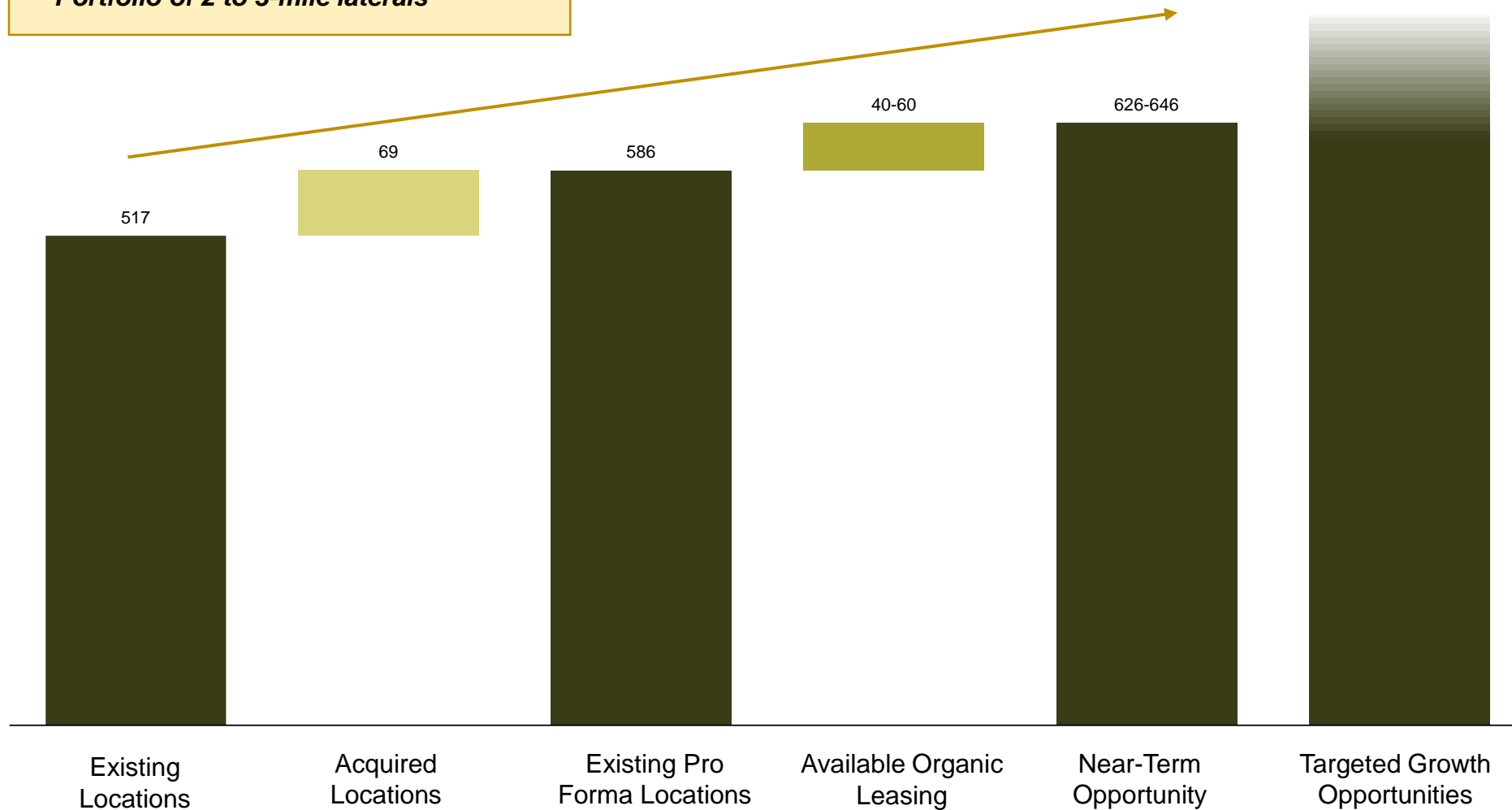
1) A summary of the estimated reserves of our properties (as adjusted to give effect to the Bayswater Acquisition) as of November 30, 2024, and as determined by Cawley, Gillespie & Associates, the Company's independent Petroleum Reserve Evaluation Firm, using SEC pricing as of November 30, 2024. The Bayswater Acquisition is not complete and subject to certain conditions. See slide 2.

# High-Quality Inventory with Long-Dated Duration



## Gross Operated Inventory (Locations)

- *Approximately 10 years of inventory runway<sup>1</sup>*
- *Portfolio of 2 to 3-mile laterals*



1)

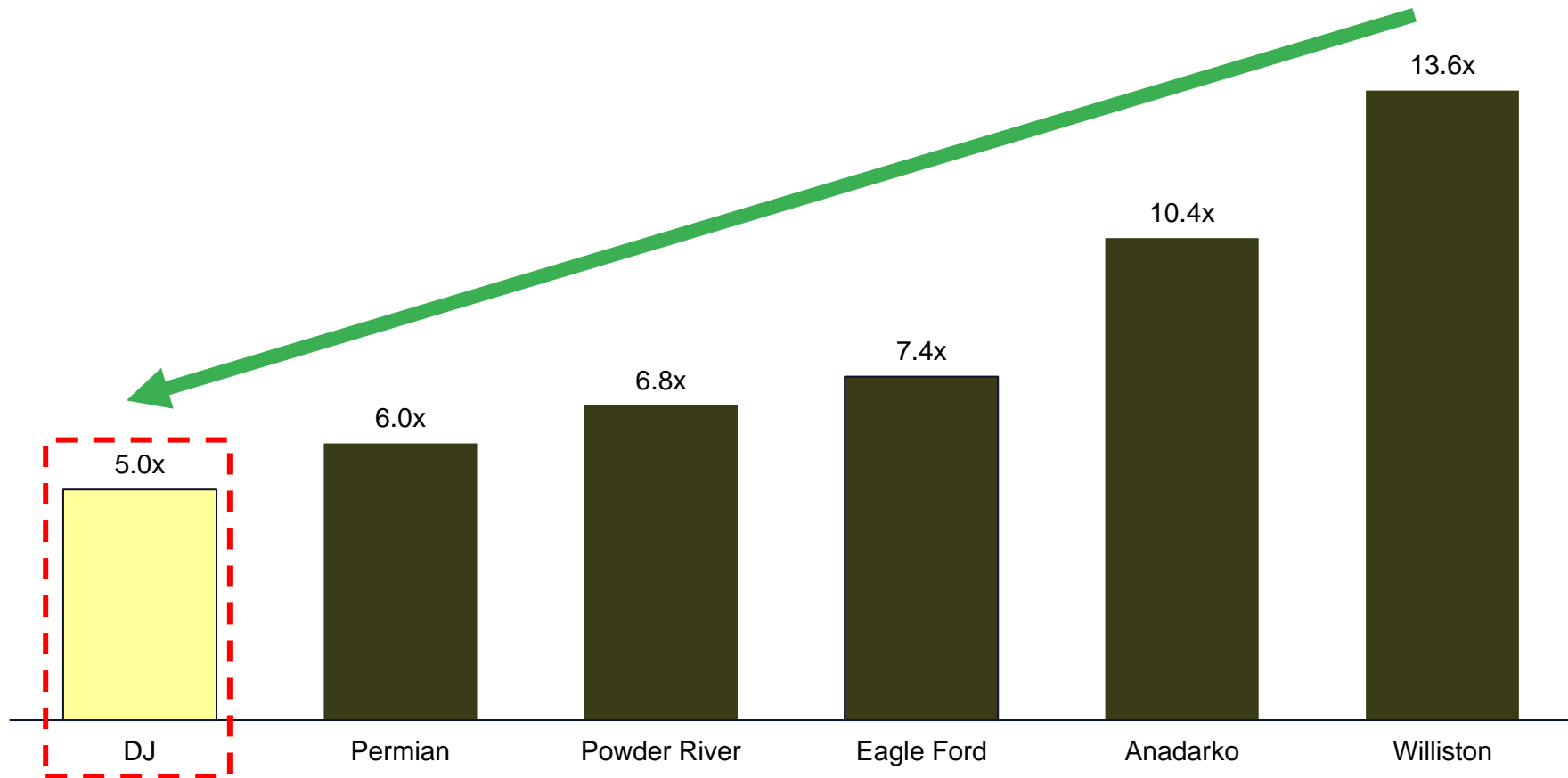
At one rig (60 wells) per year pace.



# Best-in-Class Predictability Drives Dependable, Repeatable Results



P10 / P90 Ratio<sup>1,2</sup>  
(x)



***Consistency of DJ Basin versus other resource plays driven by strong, repeatable results***

# Prairie's Financial Strategy Focuses on Maximizing Shareholder Value



## Maximize Margins & Efficiency

- Unbundle AFE costs
- Maintain favorable LOE and GP&T / Boe
- Continuously improve D&C techniques

## Focus on Financial Flexibility

- Maintain conservative capital structure and ensure ample liquidity
- Fund growth with cash flow and access to capital markets
- No near-term debt maturities

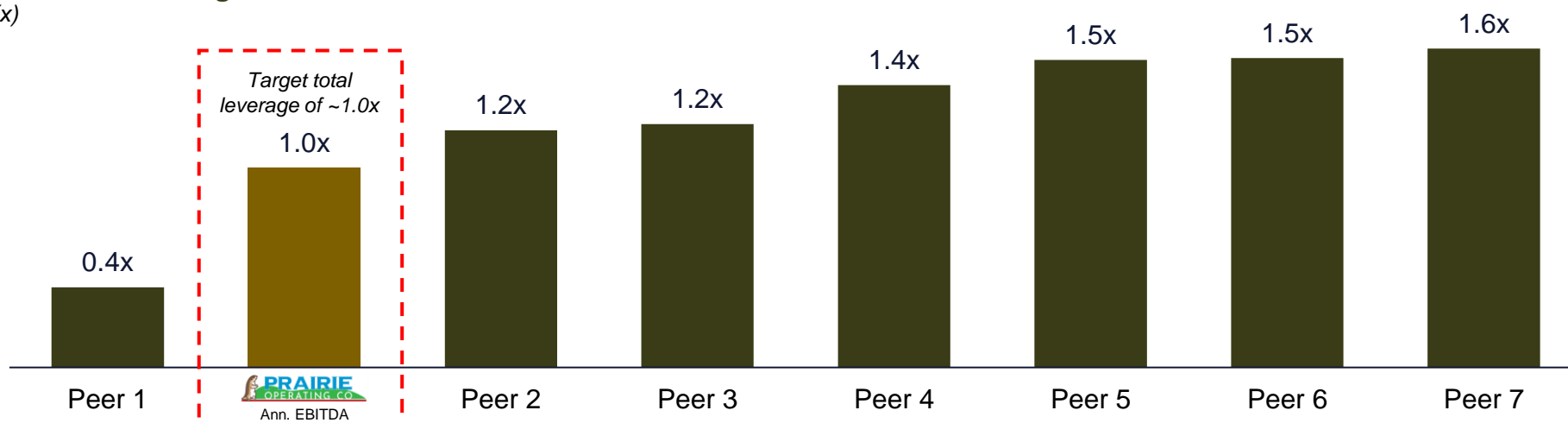
## Active Hedging Program

- Protect cash flow and support capital program
- Provides stability to borrowing base and high clarity for investors on forecasted returns
- Long-term target of approximately 50% PDP hedged

## Efficiently Allocate Capital

- Focus on responsible growth and shareholder returns
- Grow and preserve leasehold in Weld County
- Maximize value of resource base

## LTM Total Leverage<sup>1</sup> (x)



Source: Public filings.  
 1) Peers reflect Total Debt / LTM adjusted EBITDA as of 9/30/2024. Given pro forma effect for recent acquisitions. Prairie leverage reflects expected debt at close divided by Adjusted EBITDA for the nine months ended 9/30/2024 on an annualized basis. Prairie EBITDA is post cash G&A. Does not reflect impact of Prairie cost structure or G&A on Bayswater assets, including incremental G&A, if any. See Appendix for non-GAAP metric reconciliations.

# Assets Strategically-Located in Energy-Friendly / Rural Weld County

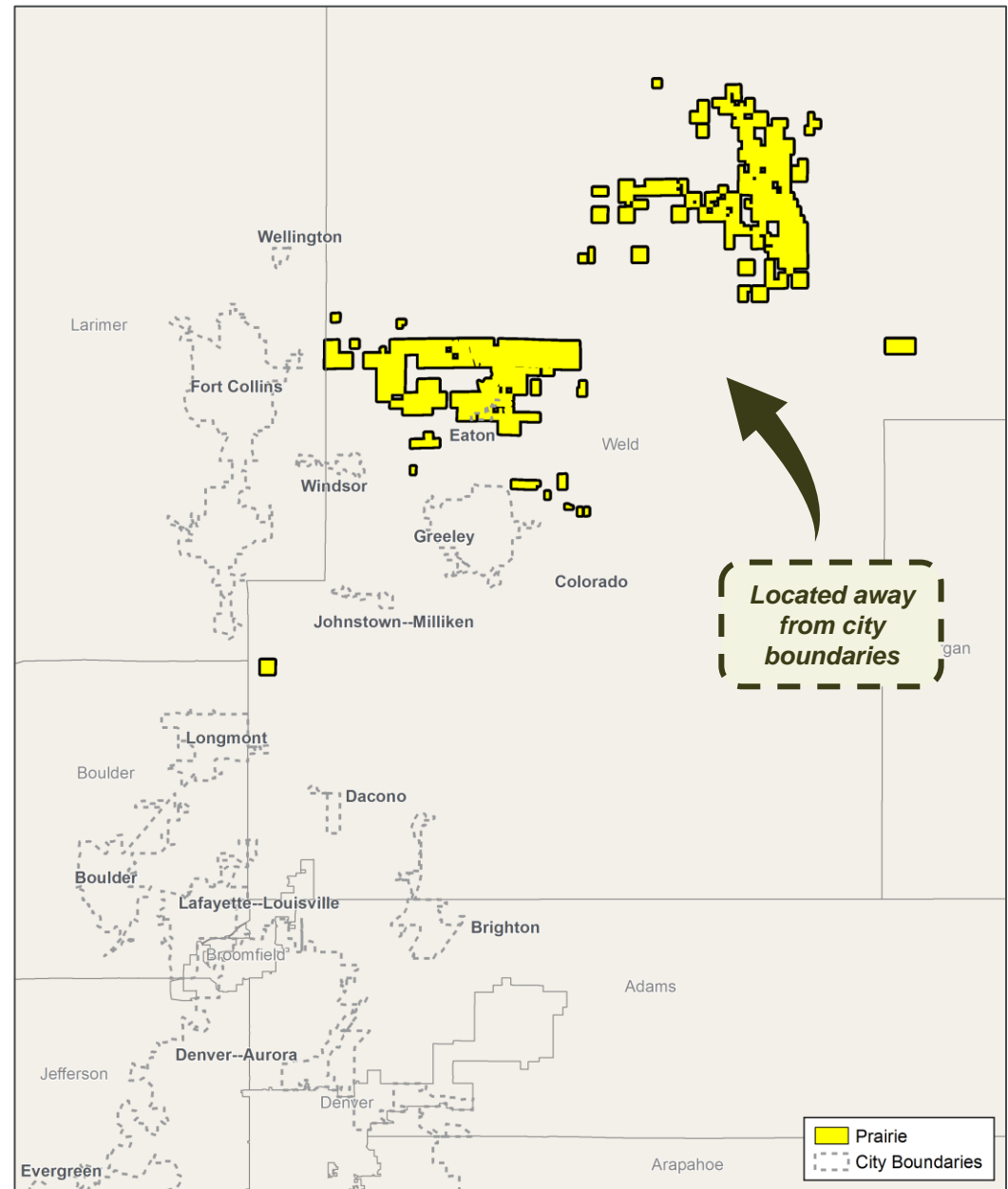


Advantaged rural locations in Weld County

Weld County is the epicenter of Colorado energy ecosystem, responsible for 82%<sup>1</sup> of the state's oil production

Substantial contracted downstream infrastructure and processing provides reliable capacity for ongoing development

Clearly-defined regulatory regime supports predictable development planning



# Responsibly Delivering Energy to the Community



## Responsible Development Starts at the Wellhead

*Laying the foundation for producing the cleanest molecule while protecting the environment*

**Dual Fuel Rigs  
Electrified Facilities  
Bulk Separation  
Agreement with Pioneer Energy**



*Advance methane emission reduction from oil production; 6-month field trials in process*



## Leadership That Prioritizes Safety and Communication

*Safety starts at the top; has implemented measured approaches to training and safety processes*

No Incidents  
**0 TRIR<sup>1</sup>**  
**0 PVAR<sup>2</sup>**

*Ongoing training ensures every person onsite is prepared and protected*



Source: Management.  
Note: Represents 2024 statistics.  
1) Total recordable injury rate.  
2) Preventable vehicle accident rate.

# Experienced Management Team with Significant Oil & Gas Expertise



**Edward Kovalik**  
*Co-Founder,  
Chairman & CEO*

- Over 25 years of industry experience
- Founder and managing member of KLR Group, an energy merchant bank
- KLR Group founded River Bend, KLR Energy (Rosehill Resources), Seawolf Water Resources, and Prairie Partners



**River Bend**  
Oil & Gas, LLC



**Gary Hanna**  
*Co-Founder,  
Director &  
President*

- Over 40 years of E&P experience
- 30 years in public company senior management and board of director roles
- Expertise in early-stages of oil and gas development and building scale



**Craig Owen**  
*EVP & CFO*

- Over 30 years of industry experience
- Served as CFO of Southwestern Energy and Rosehill Resources
- Senior finance roles at Anadarko, PwC, Hilcorp, and ARCO Pipe Line Co.
- B.B.A. Accounting from Texas A&M University



**Bryan Freeman**  
*EVP, Operations*

- Over 35 years of industry experience
- Has drilled over 2,000 wells across multiple basins
- Served as SVP of Drilling and Completions at Rosehill Resources, additional senior operating roles at Chevron, SM Energy, Hess and Weatherford
- M.S. in Engineering from the University of Texas



**Greg Patton**  
*EVP, Commercial  
Development*

- Over 15 years of industry experience
- Served as Senior Vice President, Corporate Development and Finance for Great Western Petroleum and CFO for Trigger Energy
- Master and Bachelor of Accounting from The University of Denver



**Daniel Sweeney**  
*EVP, General  
Counsel and Corp.  
Secretary*

- Over 25 years of industry experience
- Served as Senior Vice President, General Counsel and Secretary for Great Western Petroleum and Asst. Secretary, Asso. General Counsel at Eclipse
- Bachelor degree in Political Science from Case Western Reserve University and juris doctorate from Thomas R. Kline School of Law at Duquesne University



## Alignment of Incentives

**Current directors and executive officers beneficially own ~11%<sup>1</sup> of Prairie's common shares**

<sup>1)</sup> Beneficial ownership is determined in accordance with the rules and regulations of the SEC; A person is a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of the security, or "investment power," which includes the power to dispose of or to direct the disposition of the security or has the right to acquire such powers within 60 days; The beneficial ownership percentage set forth is based on 26,248,199 common shares outstanding as of January 31, 2025.

# Non-GAAP Reconciliations



## Adjusted EBITDA

This presentation contains Adjusted EBITDA, which is a financial measure not presented in accordance with U.S. GAAP. Adjusted EBITDA is used by management to evaluate the performance of our business, make operational decisions, and assess our ability to generate cashflows. Management believes Adjusted EBITDA provides investors with helpful information to better understand the underlying performance trends of our business, facilitate period-to-period comparisons, and assess the company's operating results.

Adjusted EBITDA is derived from net income (loss) and revenue in excess of direct operating expenses, as applicable, and is adjusted for income tax expense, depreciation, depletion, and amortization (DD&A), accretion of asset retirement obligations, non-cash stock-based compensation, interest expense (income), loss on issuance of debt and loss on unrealized commodity derivatives, all as applicable. We adjust net income (loss) from continuing operations and revenue in excess of direct operating expenses, as applicable, for the items listed above to arrive at Adjusted EBITDA because these amounts can vary substantially between periods and companies within our industry depending upon accounting methods, book values of assets, capital structures, and the method by which assets were acquired. Additionally, we estimated the full year amount of Adjusted EBITDA by annualizing the Adjusted EBITDA for the nine months ended September 30, 2024. The presentation of Adjusted EBITDA or the annualization of Adjusted EBITDA does not imply that our operating results will not be affected by unusual or non-recurring items.

Adjusted EBITDA has limitations as an analytical tool, including that it excludes certain items that affect our reported financial results. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income calculated in accordance with GAAP or as an indicator of our operating performance or liquidity. Additionally, our calculation of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies.

## PV-10

This presentation contains PV-10, which is a financial measure not presented in accordance with U.S. GAAP. PV-10 is derived from the Standardized Measure of Discounted Future Net Cash Flows ("Standardized Measure"), which is the most directly comparable GAAP financial measure for proved reserves. PV-10 is a computation of the Standardized Measure on a pre-tax basis. PV-10 is equal to the Standardized Measure at the applicable date, before deducting future income taxes discounted at 10%. Neither PV-10 nor standardized measure represents an estimate of the fair market value of the applicable crude oil, natural gas and NGLs properties. We believe that the presentation of PV-10 is relevant and useful to our investors as supplemental disclosure to the Standardized Measure, or after-tax amount, because it presents the discounted future net cash flows attributable to our reserves before considering future corporate income taxes and our current tax structure. While the standardized measure is dependent on the unique tax situation of each company, PV-10 is based on prices and discount factors that are consistent for all companies.

## Leverage

This presentation contains Leverage, which is a financial measure not presented in accordance with U.S. GAAP. As used herein, Leverage is calculated by the total short-term and long-term debt outstanding at close divided by Adjusted EBITDA for the year ended December 31, 2024.

Leverage is a financial liquidity metric used by investors, financial analysts and management to evaluate the ability of a company to repay its debt and is useful to investors in evaluating our overall debt position and future debt capacity. We use this measure to assess our leverage. Leverage is not meant as an alternative measure of debt and should be considered only as a supplement in understanding and assessing our leverage and to U.S. GAAP measures such as debt and net income (loss) computed in accordance with U.S. GAAP.



# Adjusted EBITDA Reconciliation



The following table reconciles Adjusted EBITDA to net income, which is the most directly comparable financial measure prepared in accordance with GAAP:

	Prairie Operating Co.	Bayswater Assets	Total
ADJUSTED EBITDA			
\$ - millions	Nine months ended September 30, 2024		
Net loss from continuing operations	(27.9)	-	(27.9)
Revenue in excess of direct operating expenses	-	288.5	288.5
Loss on issuance of debt (non-cash)	3.0	-	3.0
Interest income	(0.5)	-	(0.5)
Stock based compensation	5.8	-	5.8
Adjusted EBITDA for nine months ended September 30, 2024	(19.6)	288.5	268.9
	Year ended December 31, 2024		
(x) Annualization Factor	1.33	1.33	1.33
<b>Annualized Adjusted EBITDA for the year ended December 31, 2024</b>	<b>(26.1)</b>	<b>384.7</b>	<b>358.5</b>

# PV-10 Reconciliation



The following table reconciles PV-10 to the standard measure of discounted future net cash flows, which is the most directly comparable GAAP financial measure:

\$ - millions	Proved Developed Producing	Proved Developed Not Producing	Proved Undeveloped	Total Proved
Standardized Measure, November 30, 2024	735	4	375	1,114
Present Value of Future Income Taxes Discounted at 10%	125	1	120	246
<b>PV-10 (Non-GAAP), November 30, 2024</b>	<b>860</b>	<b>5</b>	<b>495</b>	<b>1,360</b>

# Leverage Reconciliation



The following table reconciles our Leverage to expected total short-term and long-term debt outstanding at the closing date, which is the most directly comparable financial measure prepared in accordance with GAAP:

	Prairie Operating Co.
\$ - millions	
Expected Debt at Closing	\$349
Divided by: Annualized Adjusted EBITDA for the year ended December 31, 2024	359
Leverage	1.0x

## Appendix

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### **Investor Relations Contact:**

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