



Investor Presentation

June 2020

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, resource and production potential, Falcon's plans, 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.

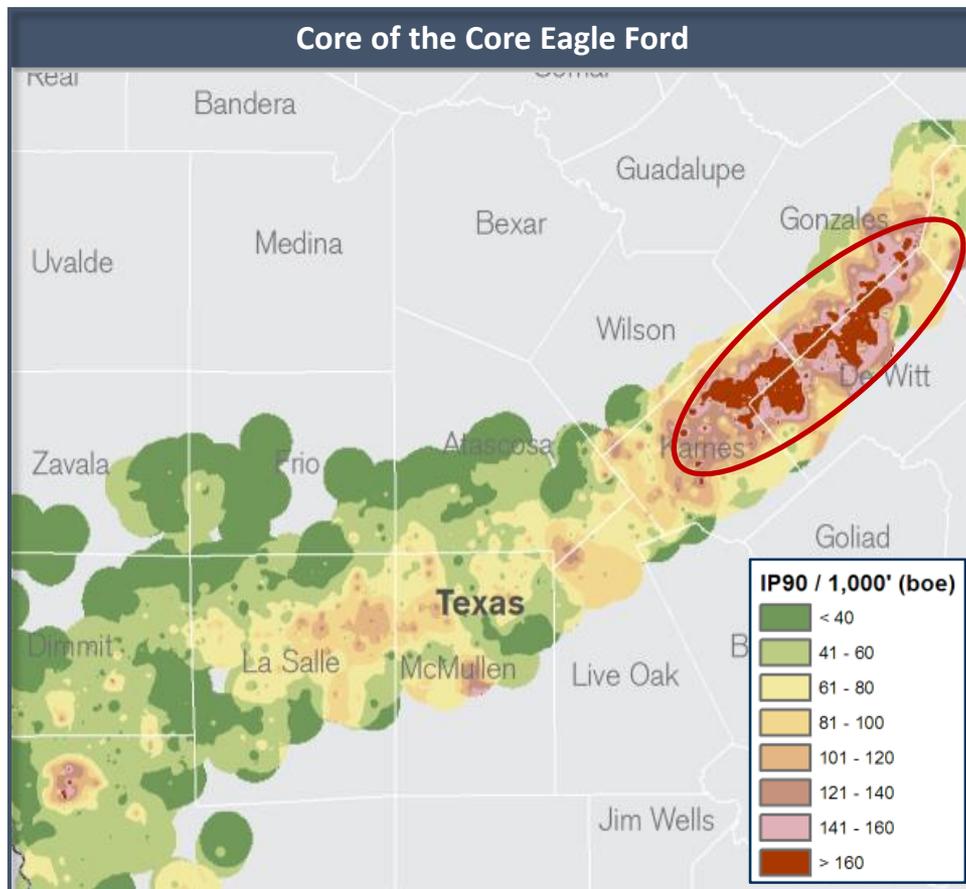
RESERVE INFORMATION

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⁾	~\$290mm
Shares Outstanding ⁽²⁾	~86.0mm
Leverage Ratio ⁽³⁾	0.95x
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	~2,010 Eagle Ford wells



World class assets developed by world class operators

(1) Assumes share price as of June 10, 2020. Inclusive of Class C Shares.

(2) 85,987,806 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 cash on hand as of March 31, 2020 by Adjusted EBITDA for the trailing 12-month period, as per Falcon's credit agreement dated August 23, 2018.

Investment Highlights

Hedging Update	<ul style="list-style-type: none"> ❑ Established crude oil swap program on 6/10/20 → ~1,230 Bbls/d beginning in July 2020 and going through March 2021 at ~\$40 / Bbl
Operational Overview	<ul style="list-style-type: none"> ❑ World class operators prosecuting decade long plans on Falcon’s Eagle Ford position ❑ Karnes Trough is characterized by some of the lowest breakeven returns to operators in North American shale ❑ EOG and COP have both discussed 10% - 30% returns at ~\$25 - \$30 oil prices ❑ Q1 '20 production of 5,152 Boe/d → 28% increase from Q4 '19 reported production ❑ Substantial growth in net wells TIL in Q1 '20 vs. Q4 '19 → 1.43 net wells (Q1 '20) vs. 0.59 net wells (Q4 '19) ❑ Four Hooks Ranch wells turned in line on February 7, 2020 ⁽¹⁾ ❑ Averaged seven rigs running on Eagle Ford position during Q1 '20
Q1 '20 Financial Overview	<ul style="list-style-type: none"> ❑ Adjusted EBITDA of \$10.1 million for Q1 '20, up from \$8.9 million in Q4 '19 ❑ Paid Q1 '20 dividend of \$0.025; free cash flow per share of \$0.11 for Q1 '20 ❑ Inception to date aggregate dividends of \$0.915 per share ❑ Maintained low leverage profile → 0.95x net debt / LTM EBITDA at Q1 '20 ⁽²⁾
Line of Sight Development (April 29, 2020)	<ul style="list-style-type: none"> ❑ 193 line of sight wells (2.41 net) → ~70%+ of total line of sight inventory with ongoing development activity ❑ 72 gross permitted wells (0.70 net wells) ❑ 96 gross wells waiting on completion (1.56 net wells) ❑ 25 gross wells waiting on connection (0.15 net wells)
Falcon Highlights	<ul style="list-style-type: none"> ❑ Zero capex requirements ❑ Ability to generate free cash flow in challenged commodity price environment ❑ Management focused on maintaining a low-cost structure ❑ Conservative balance sheet and disciplined acquisition strategy

(1) The four recently connected Hooks Ranch wells extend laterals from the Hooks Ranch position into the adjacent Hardesty leasehold property.

(2) Calculated by dividing the sum of total debt outstanding less cash on hand as of March 31, 2020 by Adjusted EBITDA for the trailing 12 month period, as per Falcon’s credit agreement dated August 23, 2018.

Recent Operator Commentary

Key Operators		
	 	
<ul style="list-style-type: none"> ❑ Eagle Ford Outlook – 10-year commitment to Eagle Ford ❑ Maintaining 4 rigs across the Eagle Ford ❑ Average cost of supply in Lower 48 below ~\$30 / Bbl with a 10% IRR threshold ❑ Planning to build substantial DUC inventory of ~130 wells in Lower 48 ❑ ~3,800 top-tier locations remaining ❑ Upside – ~300 refracs in 10-year plan, ~75% EUR increase from mechanical isolation refracs ❑ Announced voluntary production curtailments in May and June → potential higher future netbacks 	<ul style="list-style-type: none"> ❑ Eagle Ford Outlook – 10+ years of inventory life in the Eagle Ford ❑ Proximity to Gulf Coast demand center provides optionality ❑ Majority of production volumes have firm commitments in Q2 '20 ❑ May & June pricing locked in above variable costs ❑ Successful redevelopment tests in Q1 '20, resulting in additional highly economic inventory ❑ Redevelopment well performance with 30 day-IP rates of 2,000 Boe/d (60% oil) ❑ DUC inventory includes 22 wells as of April 2020 ❑ Upside – ~700+ potential refrac locations along with additional redevelopment / infill inventory 	<ul style="list-style-type: none"> ❑ Eagle Ford Outlook – bellwether asset in “growth phase” with 10+ years of inventory remaining ❑ Maintaining 3 rig / 3 frac crew program across the Eagle Ford in 2020 ❑ ~200 net Eagle Ford wells expected to TIL in 2020 (82 net wells TIL in Q1 '20) ❑ ~1,900 net undrilled premium locations in the Eagle Ford ❑ ~7% reduction in Eagle Ford well costs expected in 2020 compared to 2019 levels ❑ Upside – targeting Enhanced Oil Recovery (EOR) program with over 200 wells identified

10-year commitment to the Eagle Ford across key operators

ConocoPhillips Long-Term Eagle Ford Update

ConocoPhillips Analyst & Investor Meeting (Nov. 2019)

Highlights

- Production expected to ramp from ~215 MBoe/d in Q3 '19 to ~300 MBoe/d by 2023 → COP expects to maintain ~300 MBoe/d through 2029
 - ~233 MBoe/d of average production during Q1 '20
- Projected to generate ~\$12 billion in free cash flow through 2029
- 12-month cumulative oil production rates outperforming peer average by ~60%
- Leading well performance among peer group with 20%+ average recovery factors and average EURs in 85th percentile of basin
- Capital-efficient operational execution with lowest cost of development among peer group

Inventory

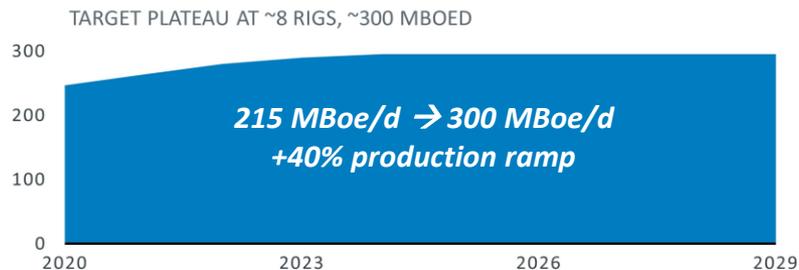
- Drilled 25% of identified inventory → 3,800 remaining locations
- Low cost refrac candidates resulting in a 75% increase in well EUR → 300 wells added to base plan with upside potential of an additional 300 locations
- Additional unquantified upside potential with resource recovery enhancement pilots underway

Vintage 5 Completion Design Update

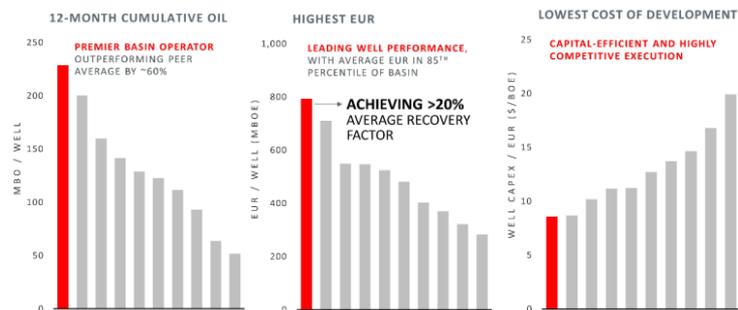
- Targeting 10%+ improvements in EURs (not built into 10-year outlook)
- Designed to improve proppant placement, increase tessellation of frac pattern, enhance near-wellbore drainage efficiency, reduce degradation, and increase EUR

(1) As per COP: RSEG (Sept. 2019). Includes top 10 companies in terms of count of new wells online in the basin from 2017-2018. Competitors include CRZO, CHK, COP, DVN, EOG, EPEQG, EQNR, MRO, MUR, SCAZO.
 (2) As per COP: V5 completion upside not built into COP 10-year outlook.

Eagle Ford Production Profile (MBoe/d)



Basin-Leading Recovery & Execution Performance (1)



Upside Potential – V5 Completion Progress (2)



Hooks Ranch Update

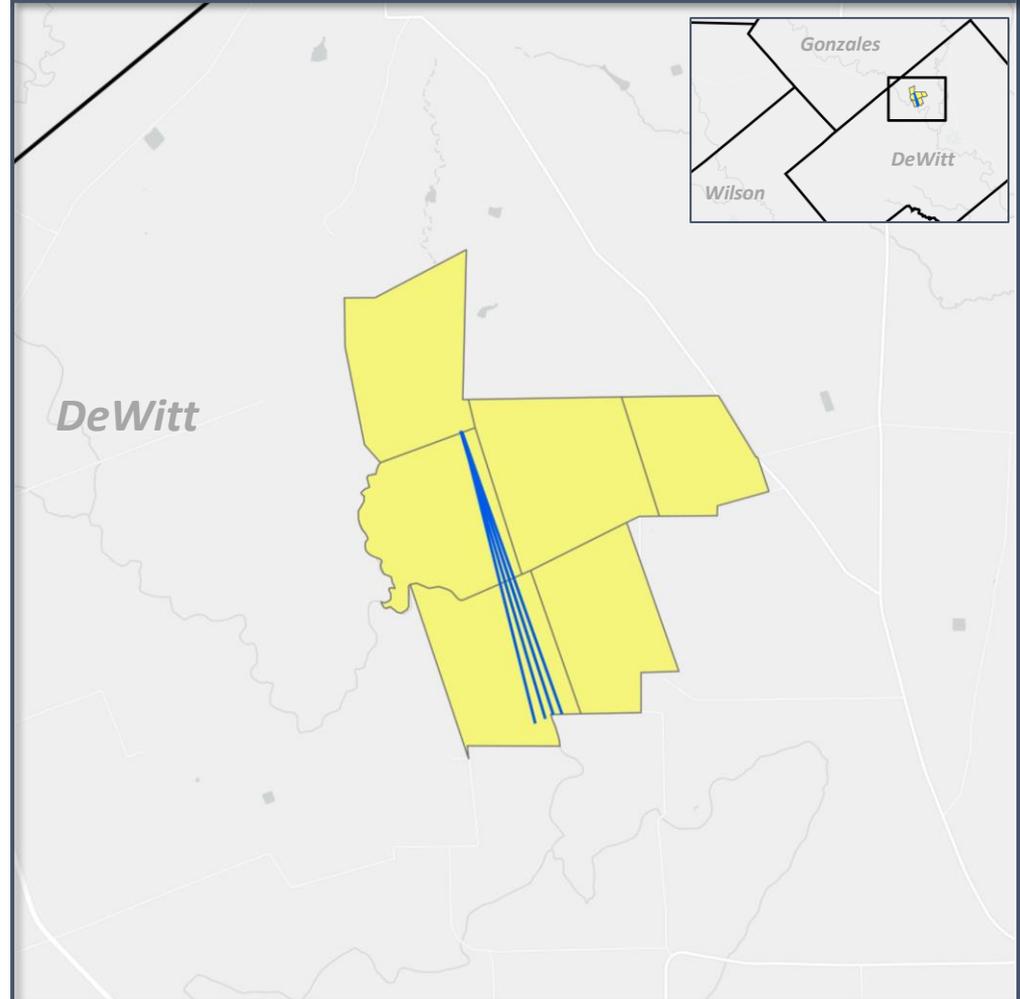
Hooks Ranch Overview

- ❑ Falcon Minerals has a 22.5% royalty interest in ConocoPhillips' Hooks Ranch position
 - 75%+ undeveloped
 - 100% HBP and operated by ConocoPhillips

Development Overview

- ❑ Four Hooks Ranch wells turned in line on February 7, 2020
- ❑ Wells have lateral lengths of ~11,000'
 - Wells drilled from Hooks Ranch lease and extend into the Hardesty unit
- ❑ Initial aggregate production in line with expectations
- ❑ 6-well pad (4 Lower Eagle Ford, 2 Upper Eagle Ford) TIL in February 2018
 - Substantially outperformed original type curves
 - Wells in top decile of returns in basin

Hooks Ranch Lease



Development Activity

Q1 '20 Development

- ❑ 7 rigs on Falcon's position during first quarter 2020
- ❑ ~1.43 net wells TIL during first quarter 2020
 - Represents ~93% of full year 2019 development

Eagle Ford Line of Sight Development (April 2020)

- ❑ 193 gross Eagle Ford wells (2.41 net)
 - 72 gross (0.70 net) permitted wells
 - 96 gross (1.56 net) waiting on completion wells
 - 25 gross (0.15 net) waiting on connection wells

2019 Development

	Active Rigs	Gross TIL	Average NRI	Net TIL
2019 Total	7	194	0.79%	1.54

2020 YTD Development

	Active Rigs	Gross TIL	Average NRI	Net TIL
Q1 '20	7	61	~2.35%	~1.43

Eagle Ford Line of Sight Development (April 29, 2020)

	Gross Wells	Average NRI	Net Wells
Permitted	72	0.97%	0.70
Waiting on Completion	96	1.63%	1.56
Waiting on Connection	25	0.62%	0.15
Total	193	1.25%	2.41

Financial Overview

2020 Guidance

- ❑ Temporarily suspending full-year 2020 guidance given ongoing uncertainty, continued market volatility, and production curtailments expected over the coming months
 - Company may provide periodic updates as appropriate
- ❑ Updating full year 2020 cash G&A guidance to \$7.25 million - \$7.75 million
 - Represents an approximately 20% reduction from full year 2019

First Quarter 2020

- ❑ 61 gross wells (1.43 net) turned in line during Q1 '20
- ❑ Paid Q1 '20 dividend of \$0.025 per Class A share on June 8, 2020
 - \$0.915 per share in dividends since inception
- ❑ Adjusted EBITDA of \$10.1 million for Q1 '20
- ❑ Maintained low leverage profile → 0.95x net debt / LTM EBITDA at Q1 '20

Pro Forma Capitalization as of 3/31/20

Cash	\$2.2mm
Revolving Credit Facility Borrowing	\$45.3mm
Net Debt	\$43.1mm
Pro Forma Borrowing Base ⁽¹⁾	\$70.0mm
Net Debt to LTM EBITDA	0.95x

Note: Subsequent to the end of the first quarter 2020, Falcon paid down \$2.5mm on the Company's Revolving Credit Facility.

(1) Subsequent to March 31, 2020, the Company completed the scheduled spring redetermination process and the Company's borrowing based was reduced from \$90.0 million to \$70.0 million.

Hedge Program Overview

Overview

- ❑ Falcon has established a crude oil swap program beginning in July 2020 through March 2021
 - All trades executed on 6/10/20
 - Volumes hedged monthly in Q3 '20 and quarterly in Q4 '20 and Q1 '21
- ❑ Purpose is to protect Falcon's cash flow
 - Protect the downside in the short-term while retaining full optionality as oil prices recover in the medium and long-term

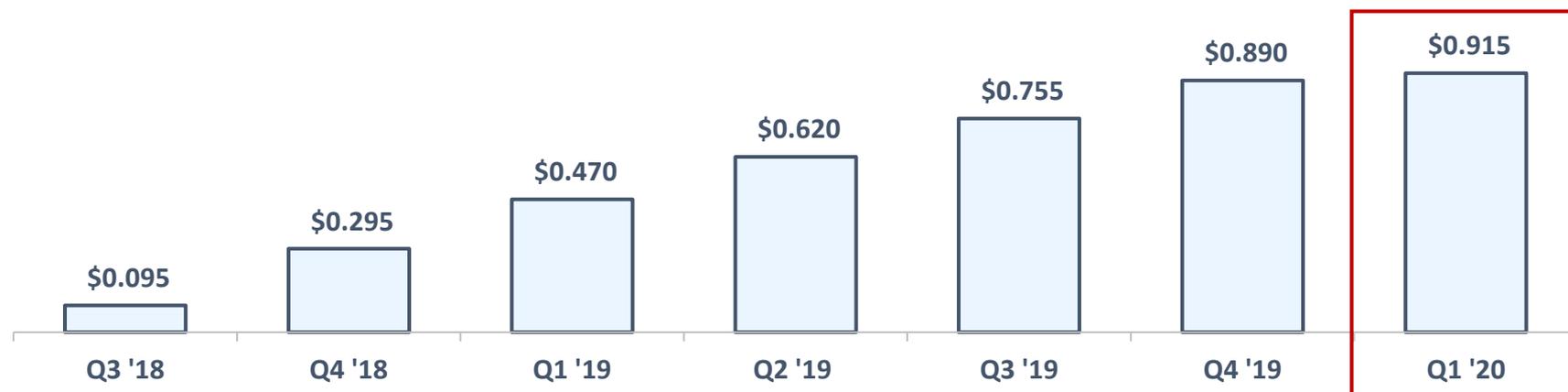
Hedge Program Detail			
Date	Swap Volumes (Bbls/d)	% of Q1 '20 Oil Production	Swap Price (\$ / Bbl)
July 2020	1,231	~44%	\$39.38
August 2020	1,341	~48%	\$39.58
September 2020	1,440	~52%	\$39.88
Q4 '20	1,273	~46%	\$40.13
Q1 '21	1,087	~39%	\$40.44

Dividend Payouts and Sustainability

Favorable Tax Treatment of Dividends

- ❑ Falcon paid first quarter 2020 dividend of \$0.025 per share → \$0.915 of cumulative dividends since inception
- ❑ 80% of dividends paid to Class A shareholders during 2019 were classified as non-dividend distributions 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
- ❑ Falcon expects that greater than 50% of dividends paid to Class A shareholders during 2020 will be classified as non-dividend distributions in 2020

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.

Key Takeaways

World class operators executing on multi-year development plans in the core of the Eagle Ford

Continued conservative leverage profile → 0.95x levered as of first quarter 2020

Crude swap program in place to protect cash flow and balance sheet

Ability to generate free cash flow in challenged commodity price environment

Significant line of sight inventory

Disciplined acquisition strategy