

LGX ENERGY CORP.



May 2023

**INVESTOR OVERVIEW
CONFIDENTIAL**

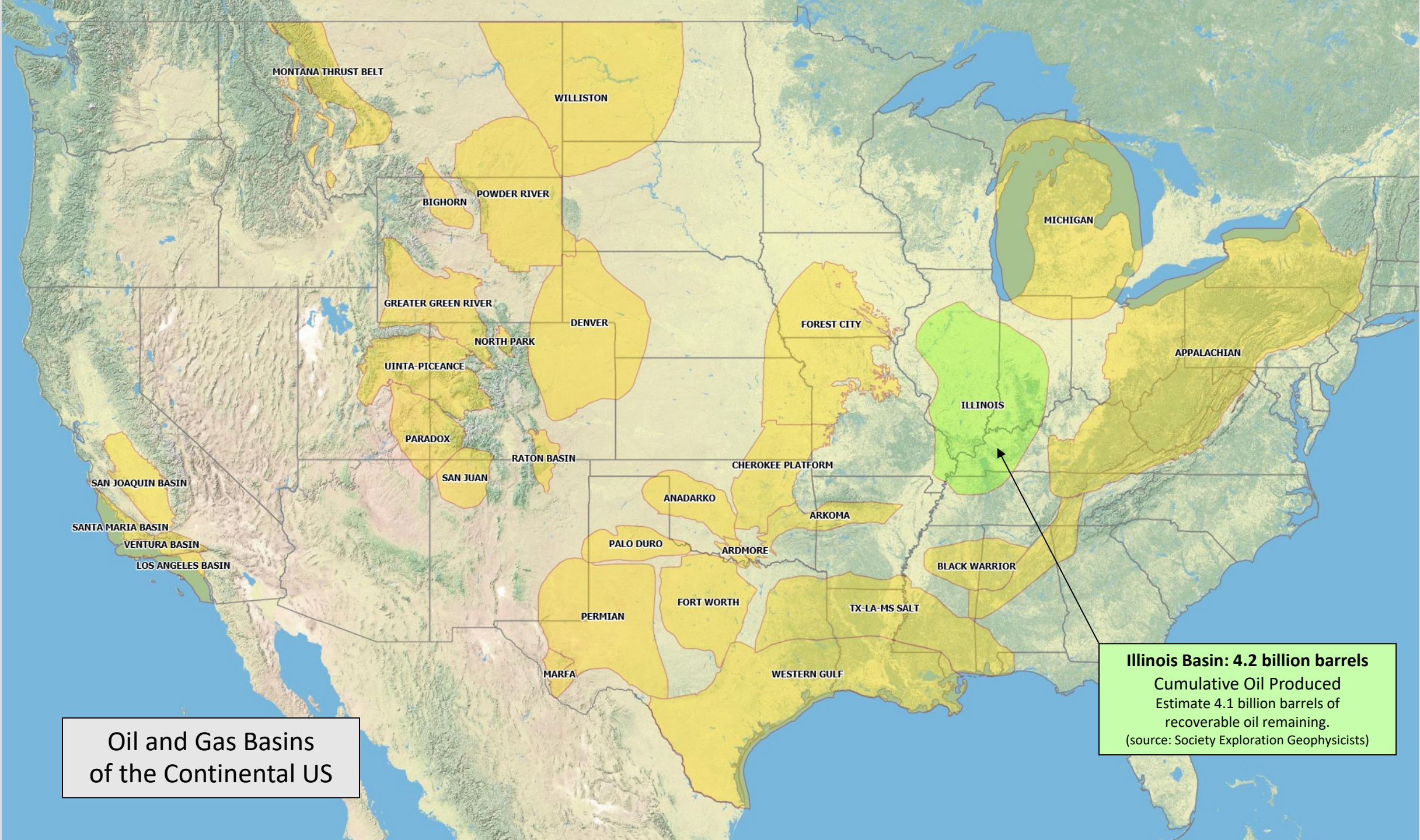
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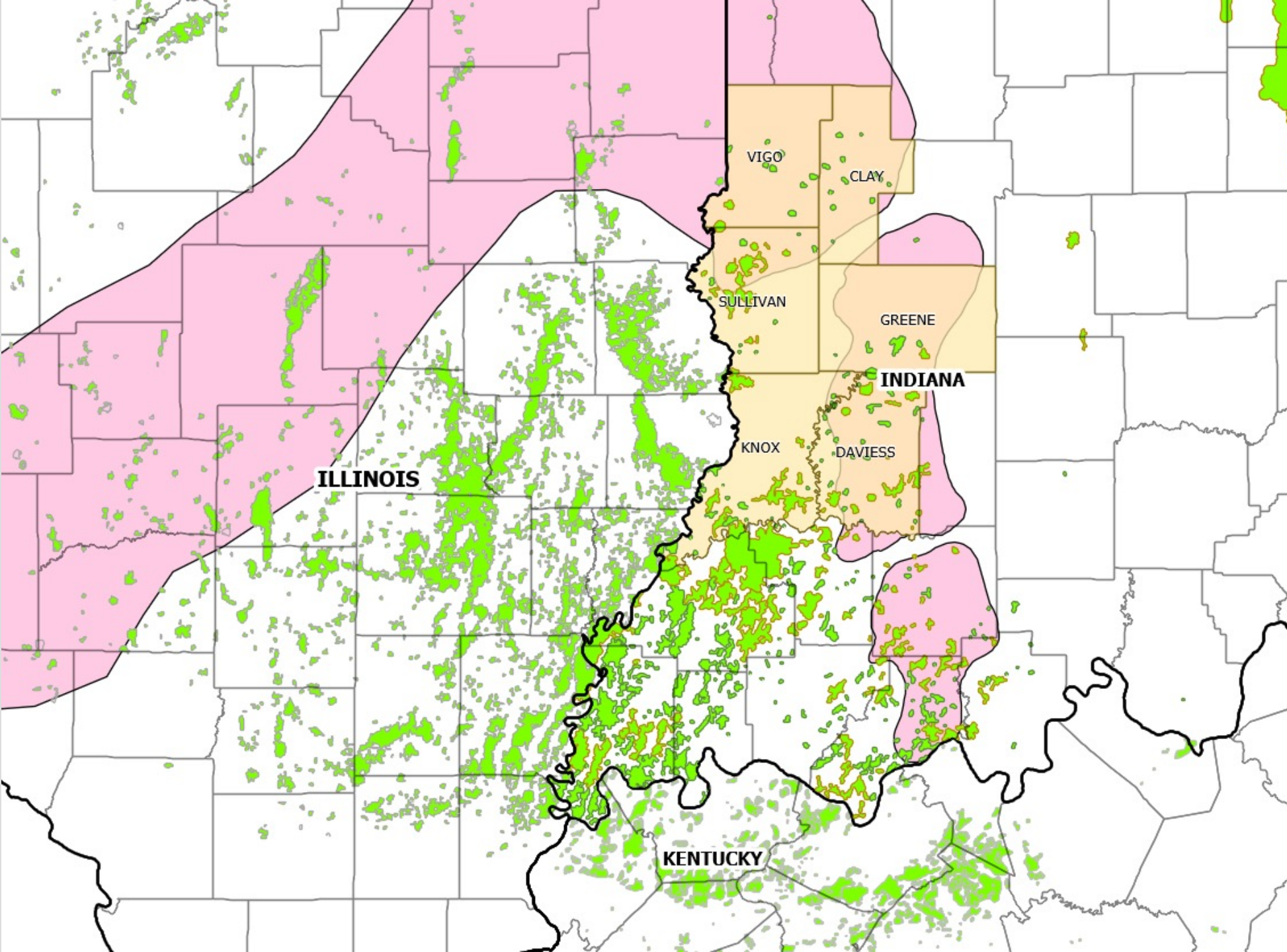
INDIANA OIL PRODUCTION

- LGX Energy Corp. was formed for oil development with the goal of building a new mid-continent oil company.
 - Oil is not going away – the world will remain dependent on oil and gas for the balance of the century
 - The timing is perfect to acquire exceptional properties for rapid reserve development and revenue expansion
- Indiana is part of the **Illinois Geological Basin**, which has produced over 4 billion barrels of oil and 4 trillion cubic feet of gas from over 85,000 historic oil and gas wells.
- Remaining reserves are estimated at 214 million barrels of oil and 4.65 trillion cubic feet of natural gas.
- **Most historical oil development targeted shallow formations without the use of seismic data.**
- **Technological advances in 3D seismic surveys have changed the approach to finding oil.**



**Oil and Gas Basins
of the Continental US**

Illinois Basin: 4.2 billion barrels
Cumulative Oil Produced
Estimate 4.1 billion barrels of
recoverable oil remaining.
(source: Society Exploration Geophysicists)

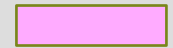


Illinois Geological Basin

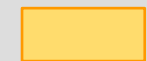
Oil Fields



Terra Haute Reef Bank



Indiana Counties
of exploration interest:

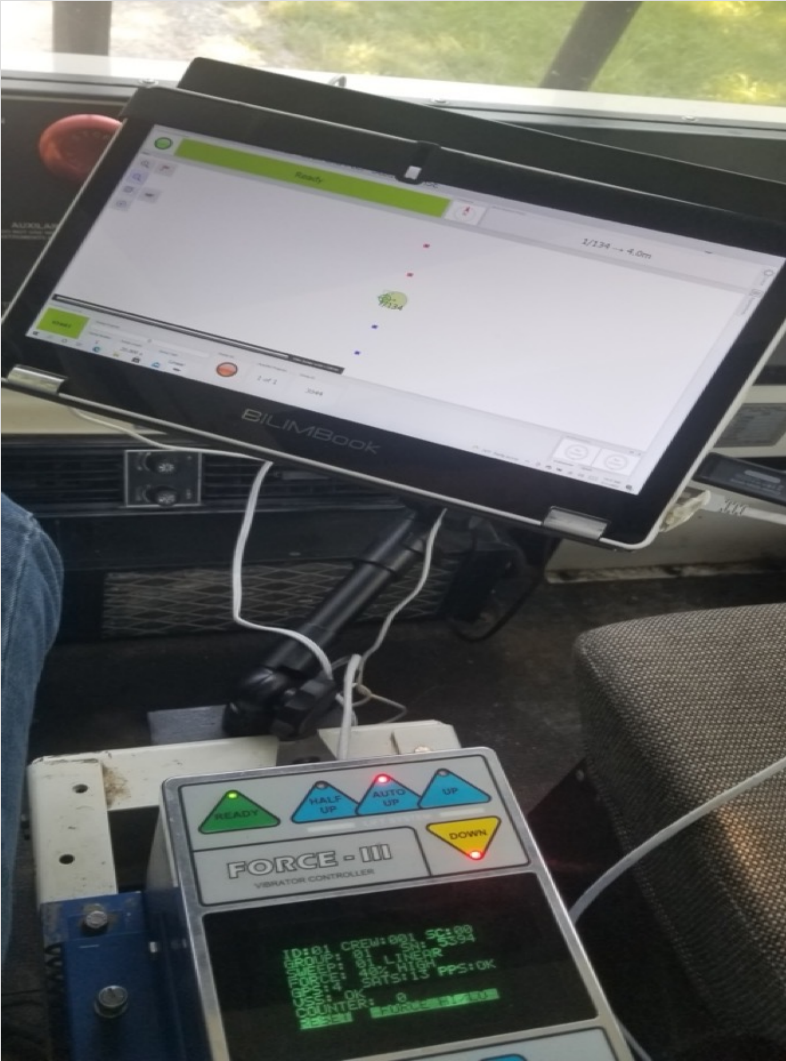


Clay
Vigo
Knox
Daviess
Greene

3D SEISMIC TECHNOLOGY

- Advances in 3D seismic technology have greatly lowered seismic acquisition costs.
 - Wireless receivers
 - Advanced computing capacity
 - Technology software to quickly process data
- High Resolution 3D seismic data from engineered layouts
 - Effectively reduces development costs
 - Game changing results for shallow formations
 - Able to work around surface obstacles
 - Dramatic improvements in processing seismic data in last 5 to 10 years

3D SEISMIC EQUIPMENT



LGX ENERGY 3D SEISMIC PROGRAM

- LGX is targeting an oil production trend called the **Terre Haute Reef Bank**.
 - 3D seismic acquired on LGX leasehold in two prime areas
 - First well drilled successfully for a 3D Devonian oil reef prospect
 - **Saatkamp** well (planned for production in May)
 - Numerous drilling prospects identified from first 3D data acquired
 - Multiple formation targets
- LGX identifies areas to acquire 3D from its large inventory of 2D seismic.
 - Over 400 miles of 2D seismic data from past 20 years
- 3D seismic program will run continuously ahead of the drilling program.

DRILLING RIG ON SAATKAMP OIL WELL





LGX PRODUCTION GROUND GAME

- Adler Energy (owned by LGX Energy) is setup to operate both 3D acquisitions and a continuous drilling program.
 - Strong, experienced drilling and operating group
- LGX currently has production from seven wells in Clay County, Indiana.
 - Net cash flow (currently ~\$30,000 per month) will be rolled back into drilling wells
 - Adding the **Saatkamp** Well oil production soon
- Multi-pay oil drilling program: summer of 2023 using our 3D seismic data.
- LGX will be able to drill up to 20 wells per year with one rig drilling continuously.
 - New field discoveries should have **reserves** average over 200,000 barrels
 - Offset development wells in multiple formations can be produced into a single facility
 - LGX production facilities are electrified operations

USING 3D SEISMIC TO IDENTIFY SILURIAN REEFS

- 3D seismic is excellent for determining position and size of Silurian coral reefs.
- Overlying the reefs are **Devonian** Limestone formations, where oil is found.
(less than 2,000 feet deep in Indiana)
- From 2D seismic data, LGX has over 40 leads/prospects for reefs.
- LGX uses 3D seismic to evaluate all potential oil producing formations above and below reefs.
- Oil and gas leases are secured prior to acquiring 3D data.
- Our leasing goal is to stay a year ahead of both 3D seismic acquisitions and the drilling of wells.



LGX ONGOING SUCCESSFUL LEASING

- 5 County Region – Small Farms & Open Land
- Total Leases Acquired to Date: 162
- Total Acreage to Date: 4,615.682
- Focused Over Seismic Prospects
- Leasing Costs are Reasonable
- Experienced & Local Land Team

TARGETING PROVEN OIL TRENDS

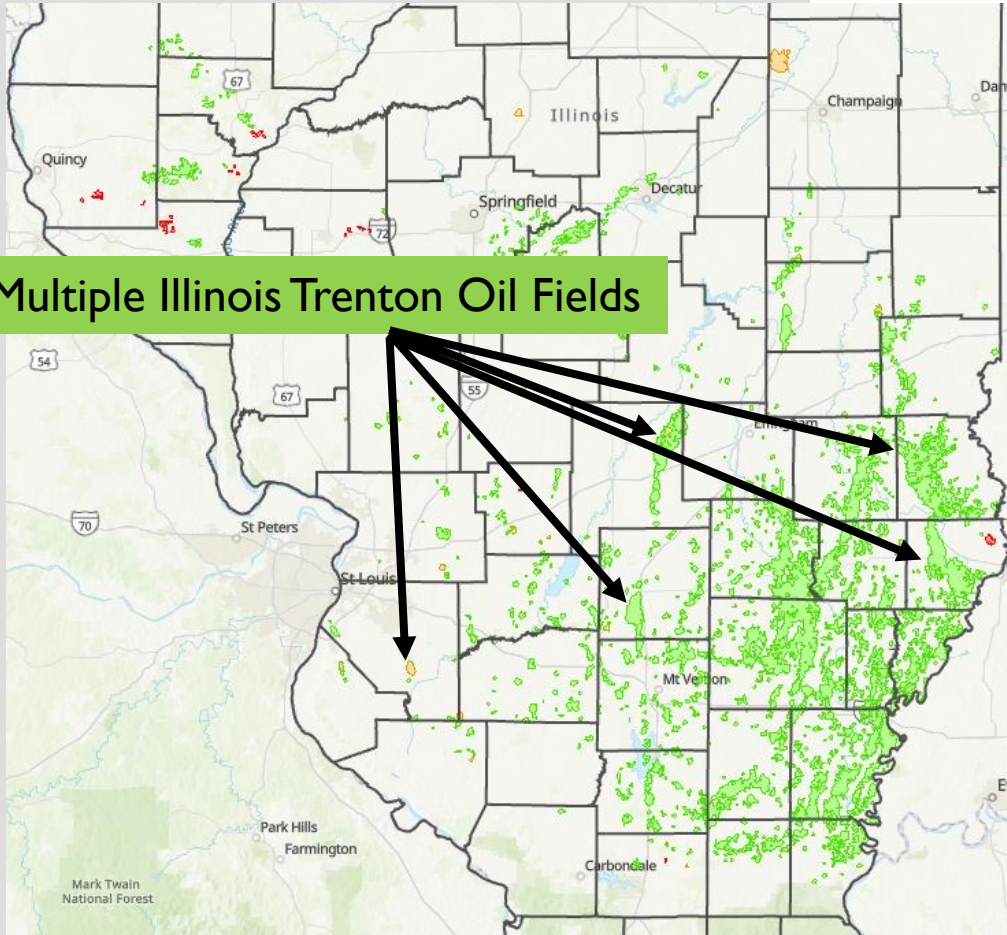
- Indiana is an ideal location to build a new oil company from the ground up at low cost and low risk.
- Indiana is highly charged with shallow oil which has NEVER had 3D seismic utilized to identify oil traps.
 - Only recently has technology been available to allow 3D data to cost-effectively evaluate shallow oil.
 - Several potential, undrilled pay zones have already been identified with first two LGX 3D acquisitions.
- **Oil fields** in SW Indiana commonly range **between 100,000 and 1,000,000 barrels** without 3D seismic.
- **3D seismic** should **increase** our success of drilling and lead to better field **reserves**.

LARGE RESERVES FROM MULTIPLE OIL PRODUCING FORMATIONS

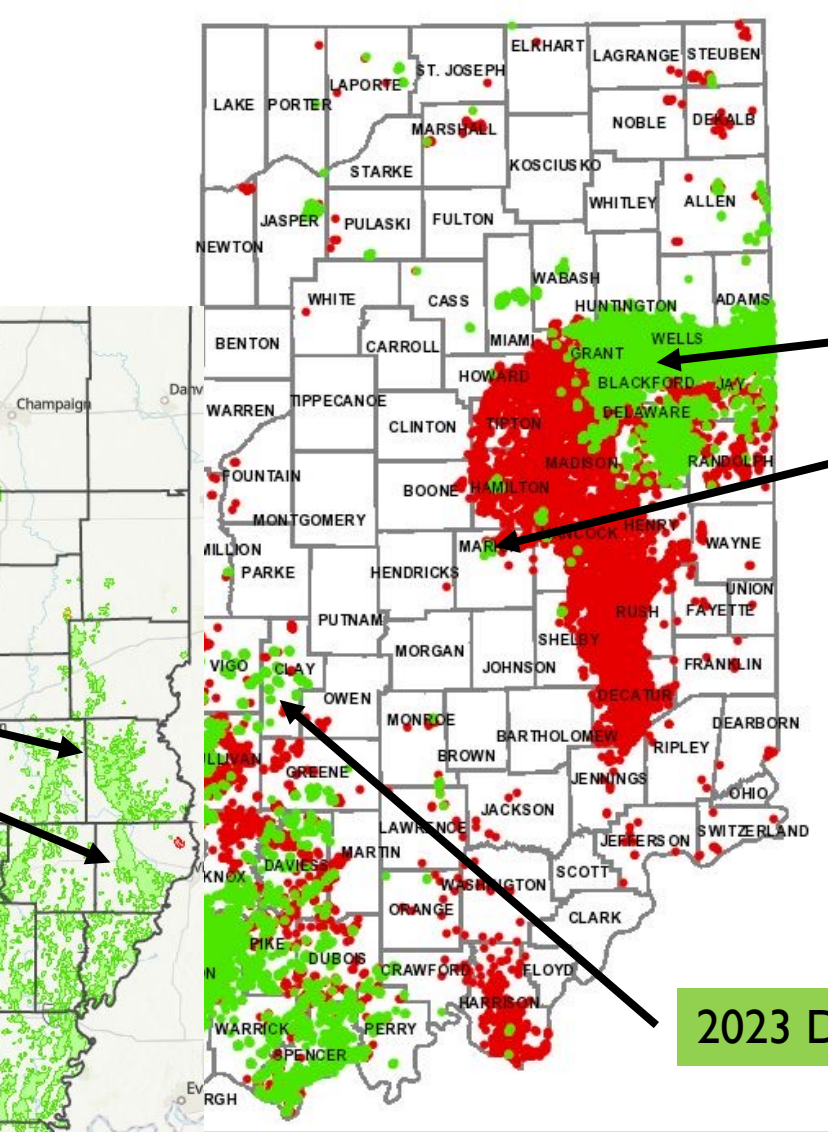
- Trenton formation in Indiana was the first oil field in United States to produce over 100 million barrels of oil.
- Trenton is undeveloped in the target area of LGX Energy.
- LGX 3D acquisitions are targeting multiple oil pays, known as “**stacked pays**”.
 - Potential oil producing horizons other than Trenton include:
Salem Limestone, Carper Sand, Geneva Dolomite, St. Peter Sand and Knox formations

In the next several years, the Company can **grow rapidly** and **add revenues** quickly with 3D seismic by concentrating on the **Indiana oil plays**.

Illinois Basin Trenton Potential

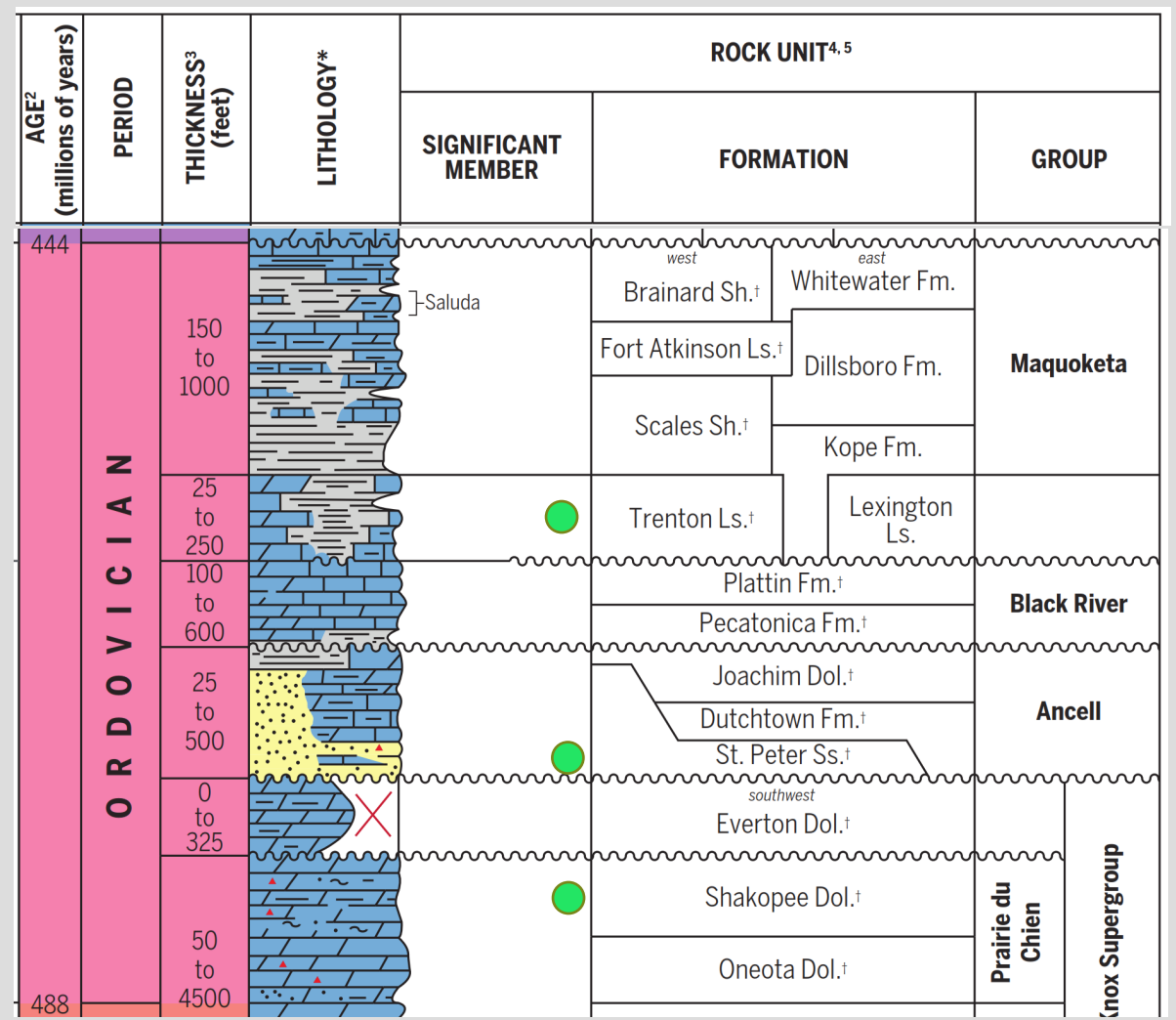
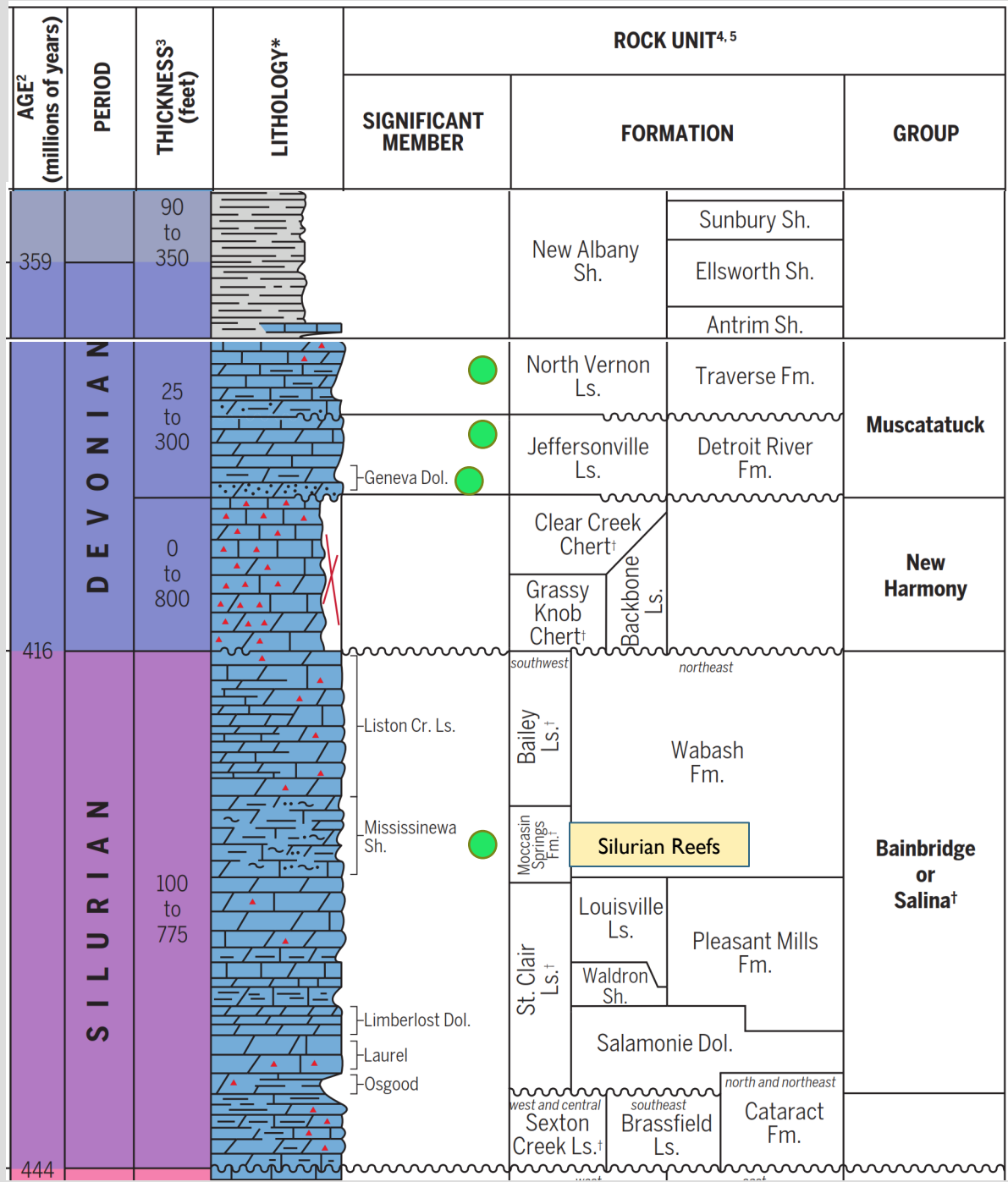


Multiple Illinois Trenton Oil Fields

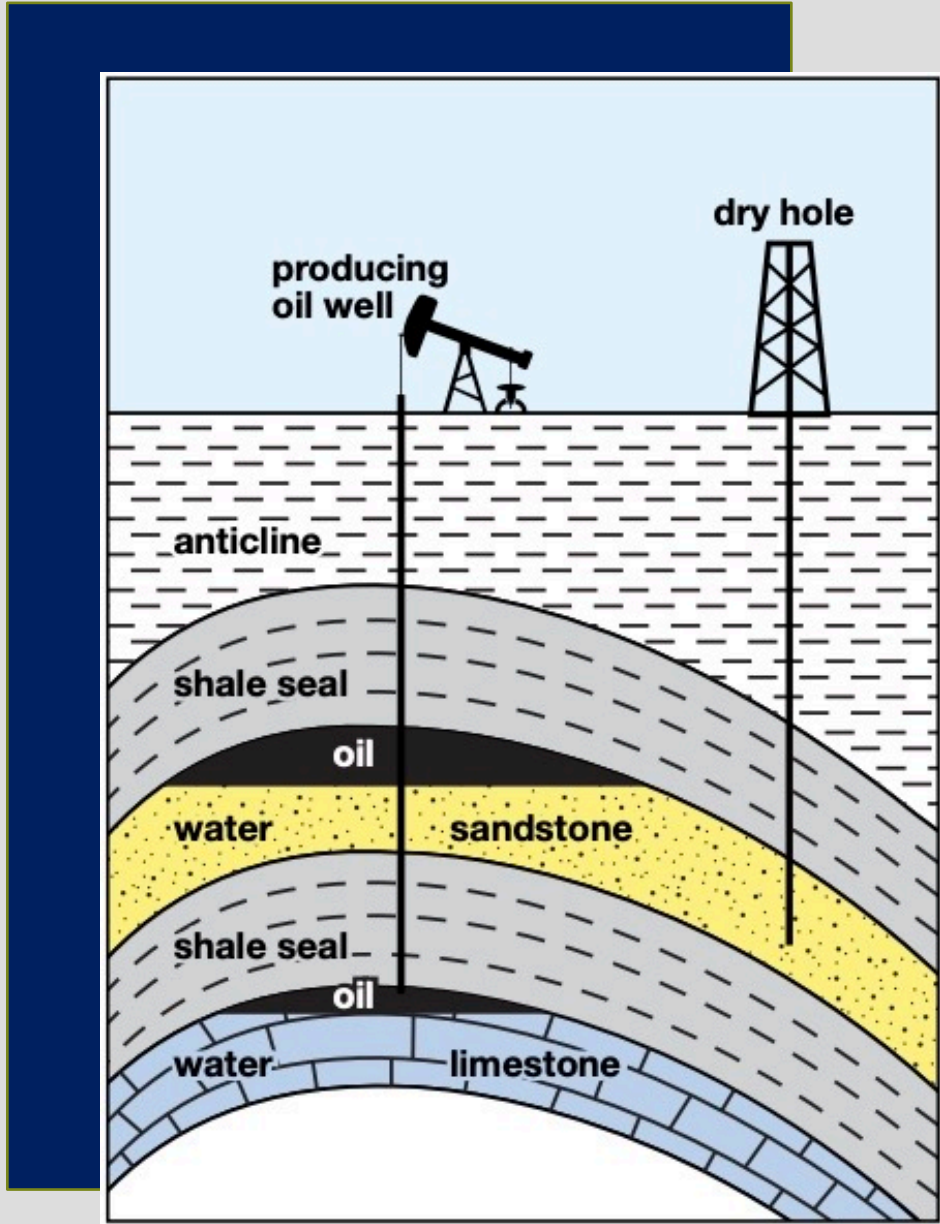


Indiana Lima Giant Field Trenton Production and Mount Carmel Fault Trenton Oil Field

2023 Drilling Locations



● Targeted Stacked Oil Pays (Indiana)



3D Seismic
Excellent for
Revealing Stacked
Oil Traps

LOW COST OF OPERATING

- Shallow, easy to access wells (largely rural farmland)
- Modest rig and labor rates
- High quality service providers (seismic acquisition and drilling)
- Lower drilling costs
- Regulatory environment is favorable
- Leasehold acquisition costs are reasonable

- Drilling Costs: \$150,000 to \$450,000
- Completion Costs: \$100,000 to \$200,000
- Typical Finding Costs: \$6.00 to \$9.00 per barrel average

OUTSTANDING ECONOMICS

- LGX expects a high success rate in drilling initial test wells on 3D prospects.
 - With 3D seismic, new field discoveries will require less developmental drilling locations.
 - Expect very high success rates on development wells with 3D seismic
 - Estimated average of **200,000 barrels oil reserves** per new field
 - Initial discovery well plus 3 development wells on average or 50,000 barrels per well
(Note: historical fields typically were over-drilled without 3D)
 - With 3D seismic, LGX projects higher per field reserves for our targeted area
- With shallow oil production in Indiana, wells are turned to production quickly.
 - Cash flow expected to yield a **strong ROI** and produce oil for decades

BASE CASE SINGLE WELL ECONOMIC ASSUMPTIONS

(Note: expected production from multiple formations with projected blend of wells from smaller and larger reservoirs)

- Average cost of wells and facilities (blended cost average from various formations)
 - Well Drilling - \$300,000
 - Well Completion - \$150,000
 - Facilities financed with lease programs (costs built into monthly LOE)
- Economics based on estimated average of 50,000 barrels of oil per well / 200,000 barrels of oil per field
 - **Initial Production** rate average per well of **50 barrels** of oil per day
 - Well life of 25 years
 - First year decline of 26%, 36% annually through fifth year, 5% in later years (after 6 months of flush production)
 - **Payout in 8 months**
 - First year net cash flow expected per well of approximately \$800,000

(Assumptions: \$70 oil price, 80% Net Revenue Interest, Monthly LOE per well of \$5000 and severance tax of 1%)

CAPITAL STRUCTURE

- OUTSTANDING COMMON SHARES – 20,501,665
- OPTIONS OUTSTANDING – None
- NUMBER OF SHAREHOLDERS - 51
- CASH ON HAND – \$237,000
- NO DEBT

MANAGEMENT & ADVISORS

LGX has assembled a veteran team:

- **Howard Crosby** – Experienced corporate finance and building resource companies from the ground up – 30+ years
- **John Miller** – “Big Picture” developer of oil and natural gas drilling programs – 35 years
- **Shane Miller** – Experienced field operator in both production and drilling – 22 years
- **Jerry Blaxton** – Geophysicist with strong experience in designing and processing 3D seismic – 40+ years
- **Tom Tucker** – Extensive work with seismic based reef exploration in shallow trends – 40+ years of experience
- **Bill Deneau** – Veteran in oil and gas land development and administration – 39 years

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