



PHOENIX | CAPITAL GROUP



JR Fuller
Senior Minerals Specialist
469-865-1989
JFuller@phxcapitalgroup.com

Hello,

First and foremost, thank you for the opportunity to show you what Phoenix Capital Group can do for you. I know you have been contacted several times through the years and it can be difficult to know who and what to trust with your minerals.

In time, most folks come to appreciate that we are not the typical company they are accustomed to hearing from. A large amount of our success can be credited to the relationships we build with folks through transparency and being forthright about their minerals. We take a lot of pride in the fact that we invest in our clients as much as we do in their minerals.

Secondary to that, we are a technology-based company that can evaluate minerals on a massive, comprehensive scale. Based on our evaluations, we strategically invest in the working interest of wells and leverage our minerals to take advantage of the time value of money.

The oil and gas markets are not the same markets as they were 10-15 years ago, and **oil is no longer being considered a forward-thinking commodity**. Put simply, we are not trading places with you to benefit at your expense. All things considered, that is a losing proposition. We combine financial intelligence with our industry knowledge and expertise while taking advantage of write-offs that minimize our exposure. In doing so, we reduce the risks associated with having to wait 20-30 years for something that may or may not happen, and we show you how you can do the same.

The global demand for oil continues to decline, and concerns over the environmental costs of burning fossil fuels has been increasing. **Oil and gas are asset classes that billions of dollars are being invested to replace**. Replacement technologies are here, and the infrastructure for renewable energy generation is now following suit. These trends and a number of other key factors have prompted a broadening consensus, even among industry veterans, that oil's best days are behind us.

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This scenario is not ideal especially if you are hoping or depending on consistent, reliable royalty revenue for yourself and future generations.

We recognize that oil and gas are not going to be obsolete in the near term; rather we know that they will not be in as high of demand as they were in the past. This reality ultimately creates a high level of uncertainty about what you can anticipate in royalty revenues in the near and not so distant future.

We understand that selling your minerals is a big decision that can be difficult due to high emotional attachments and family legacies associated with them. In reality, **you are already selling your minerals through your signed leases one barrel at a time in a saturated, global market.** At the same time, you are losing 35-40% of potential revenue through income taxes you currently pay on them. To that point, times have changed, and what was once considered long-term security in the form of mineral ownership is not the same today.

The same reason you were told never to sell your minerals is exactly why you should at least consider what I am proposing. **Holding onto your minerals is as much of a gamble as it is an investment.** As with any investment, it is important to have an exit strategy consistent with your risk tolerance.

In my experience, I have learned that folks are concerned about losing potential royalty revenue that they do not yet have, and they ignore the potential consequences of never receiving them; yet, they view owning minerals as “money in the bank”. We have seen minerals lose value overnight with the stroke of a pen. The only true guarantee about owning minerals is that there are no guarantees.

The good news is that the data that I share with you will help you be prepared regardless of the outcome. Whether you choose to accept the risks associated to holding your minerals, or you see the value in selling them, you will have peace of mind knowing that you made an informed decision. Based on the feedback I receive from my current clients, this insight is significantly more valuable than the speculation and opinions you hear from any other source.

Many of the largest oil and gas companies in the world are diversifying and investing in renewable energy. They see the future, are preparing to ensure that they are a part of it and are working and investing to avoid becoming the next Blockbuster, Kodak or Sears - companies that did not evolve with their respective industries and paid the ultimate price. The renewable energy technologies are not the only concern for the oil and gas industry; it is simply one of the biggest.

If the biggest oil and gas companies in the world are investing heavily in renewables...what does that mean for you? If they are diversifying and preparing for the future... why wouldn't you?

With this in mind, I would like to schedule some time with you to get to know more about you and your unique situation and walk you through your options and the benefits associated with them. Then we can talk about what we do strategically with the minerals in our portfolio, and from there decide together if it makes sense to move to the next step.

In the meantime, I have included some information that I thought you would appreciate. I look forward to getting your thoughts and working with you on this.

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WHAT CLIENTS ARE SAYING...

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MICHAEL MCALMOND

“ I recently sold my mineral rights to Phoenix Capital Group. I was a little unsure initially, but very quickly became comfortable working with Tom Kruk and Phoenix Capital Group. I would give them 5 out of 5 stars for the experience I had working with them. Tom Kruk was the representative I worked with and it was great working with him. Anytime I had a question or needed more information he always responded right back. He also kept in touch with me all the time on his own during the whole process. I found Tom to always be helpful, honest and a great representative of Phoenix Capital Group. The two main reasons I decided to sell my mineral rights was working with Tom Kruk and of course, the price they paid, which I thought was a very fair offer. It was the best offer I received. I talked with my family, keeping them up to date and everyone decided to sell due in part to my experience. I would recommend Phoenix Capital Group to anyone thinking about selling their mineral rights.

Location: Mountrail County, ND



ARDATH AND MARK JUNGE

“ My wife and I have owned the mineral rights under our property for 27 years. Leasing did not bring us significant returns, so when Phoenix called, inquiring about purchasing them, we became interested. We were a bit nervous because of our lack of knowledge, so we consulted an official at the State lands office as well as a private lawyer. Slowly, we began to understand that the Phoenix offer was not only legitimate but also generous. Cautiously, after a series of emails, letters and phone calls, we finally took the big step and sold our mineral rights. We have been very satisfied working with the Phoenix representative, Casey Haerther, who was “Johnnie-on-the-spot” every time we had a question. He understood our concern and was prompt and thorough in his answers. Given the opportunity, we would confidently work with him and Phoenix again.

Location: Laramie County, WY



*Contact information available upon request

JIM AND LINDA GLANTZ

“ I know very little about oil leases but thanks to you patiently guiding us through the sale of my mineral rights inherited from Grandfather Arnold. I was lost about how to proceed with the sale but Tom Wulf from Phoenix Capital Group took the time to set all the ducks in line so I could sell n rights for a large sum of money.

Phoenix Capital Group even went to the extent of setting up payments over three separate years for tax purposes. This year I received my first disbursement in May and the next disbursement was going to be due in May of 2023.

I contacted Phoenix just before going on vacation and asked if we could move the 2023 disbursement up to the first part of the year. You contacted Curtis from Phoenix Capital Group in California and he agreed. This is a great help for us because Linda, my wife, has a degrading neurological condition called Multifocal Motor Neuropathy. Needless to say you and Curtis went to bat for us as a gesture of kindness. Thanks Tom and Curtis for meeting our need and for being good people.

Location: McKenzie County, ND



RICHARD BALMER

“ Recently Phoenix Capital Group purchased my North Dakota mineral rights. I had the pleasure of working with Tom Kruk in this process. It was a pleasure to quickly determine Tom is certainly honest and honorable. I give him and Phoenix a rating of 10 out of 10. Tom lent knowledge, credibility, and integrity to the process and thoroughly worked through questions and was a great help in the decision-making process. We had received calls from other firms but they did not offer nearly the information, materials, and follow through as Tom. The terms were very favorable, and we closed on the transaction with Phoenix Capital. I would definitely recommend Tom and Phoenix to anyone.

Location: Mountrail County, ND

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MYRON RAMBOUSEK

I was contacted by several companies interested in purchasing my mineral rights. After speaking with all of the companies, there was one clear winner, Casey Haerther and Phoenix Capital. Casey, provided answers to every question that I had during the sales transaction. It didn't take days or even hours in most cases to receive the answers. Many times it was a matter of minutes, even during evenings and weekends. Additionally, the answers were clear, concise and to the point. I began my talks with Phoenix Capital with very low expectations. In the end, I was proven completely wrong. Every single request that I made regarding the contract was addressed. I can say without a doubt that without Casey as my sales contact, I would most likely have not sold my mineral rights at all. Casey is an example of what a true professional should be. I sincerely hope that Phoenix Capital recognizes this. I am quite sure that his supporting team/personnel are at the same level. Thank you again Casey for what without a doubt, was the best experience of this nature I have ever had in my life.

Location: Dunn County, ND



GARY KOTTMAN & FAMILY

Over the decades that my family has owned 80 acres of mineral rights in Laramie County, Wyoming, we chose to hold on to these rights. In the most recent years, we have leased these rights for a three year periods to two different companies, but never considered selling these rights. Early in the Summer of 2021, we were contacted by Tom Kruk, who is VP of Mineral Acquisitions, for the Phoenix Capital Group. They were interested in purchasing our mineral rights. During our discussions with Tom, we found him to be very knowledgeable, credible, honest, and sincere. He answered all our questions and was a good listener. Tom was very professional and helpful throughout our decision making process. Ultimately, we decided that the Phoenix Capital Group's offer for our mineral rights was fair and reasonable and we made the decision to sell to them. The entire purchasing process was smooth and efficient. We would recommend Tom and the Phoenix Capital Group to anyone wishing to sell their mineral rights.

Location: Laramie County, WY



B.K.R.

I was contacted by Jon Wilson of Phoenix Capital Group early in 2022. Jon inquired about my level of interest in selling my mineral ownership in Wyoming. I was hesitant at first, having been disappointed by previous offers that failed to meet something close to my number. In a short period of time we came to agreement on a price. From that point forward Jon and Phoenix Capital met every question I raised with a positive response and they always delivered as promised. We closed in July. I'm very happy with the professional yet personal service I received as we walked through the process. Special thanks to Jon Wilson for his work.

If you are considering selling your mineral rights, fed up with the battle with your oil company, or could benefit from a cash settlement, I highly recommend contacting Phoenix Capital Group.

Location: Campbell County, WY



DENNIS P.

I initially received a call from Tom Kruk who then sent me his information. I appreciated that he explained why he was sending it. I had previously received letters from other companies interested in buying my minerals that had no details. They just wanted us to call if we were interested in selling. After reviewing the materials, we spoke back and forth and ultimately came to a decision to sell our minerals.

I like that Tom took the time to explain everything in detail. And I was also glad to get hold of someone who could actually talk about more than just oil! If I had any questions it was not a problem to call him back. We've had very friendly conversations before and after selling.

I also received information from Lindsey in their office in California, who was very helpful. I am very satisfied with the outcome and ended up getting paid more than what was contracted! I met with my tax advisor afterward and he commented that I had fared much better on a mineral sale than most clients he sees. I would absolutely recommend to others to do business with Tom and Phoenix Capital Group.

Location: Williams County, ND

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