Contango

NYSE American: MCF

Investor Presentation

December 2019

Cautionary Statements

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current expectations of Contango Oil & Gas Company ("Contango", "MCF" or the "Company") and include statements regarding recent development agreements and equity raise, the Iron Flea prospect acquisition and expected benefits therefrom, our estimates of future production, cash flows and reserves, and other guidance (including information regarding lease operating expenses and cash G&A expenses), acquisitions and divestitures, hedging strategy, future results of operations, quality and nature of the asset base, the assumptions upon which estimates are based and other expectations, beliefs, plans, objectives, assumptions, strategies or statements about future events or performance. Words and phrases used to identify our forward-looking statements include terms such as "guidance", "expects", "estimate", "projects", "anticipates", "plans", "estimates", "possible", "probable", "potential", "illustrative", "initiative", "strategy", or "intends", or words and phrases stating that certain actions, events or results "may", "will", "should", or "could" be taken, occur or be achieved. Statements concerning oil and gas reserves also may be deemed to be forward looking statements in that they reflect estimates based on certain assumptions that the resources involved can be economically exploited. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those, reflected in the statements. These risks include, but are not limited to: the risks of the oil and gas industry (for example, operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to future production, costs and expenses; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; health, safety and environmental risks and risks related to weather such as hurricanes and other natural disasters); uncertainties as to the availability and cost of financing; fluctuations in oil and gas prices; risks associated with derivative positions; our ability to realize expected value from acquisitions and to complete strategic dispositions of assets and realize the benefits of such dispositions; the concentration of drilling in the Southern Delaware Basin, including lower than expected production attributable to down spacing of wells; the need to take impairments on properties due to lower commodity prices; the trading volume and price of our common stock and general market volatility; ability of our management team to execute its plans or to meet its goals; shortages of drilling equipment, oil field personnel and services; unavailability of gathering systems, pipelines and processing facilities; the possibility that government policies may change or governmental approvals may be delayed or withheld; and the other factors discussed under the "Risk Factors" heading in our most recent annual report on Form 10-K and our quarterly reports on Form 10-Q filed with or furnished to the Securities and Exchange Commission. Additional information on these and other factors which could affect Contango's operations or financial results are included in Contango's reports on file with the Securities and Exchange Commission. Investors are cautioned that any forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from the projections in the forward-looking statements. Forward-looking statements speak only as of the date they were made and are based on the estimates and opinions of management at the time the statements are made. Contango does not assume any obligation to update forward-looking statements should circumstances or management's estimates or opinions change, except as required by law.

Cautionary Statements Regarding Reserves

This presentation includes certain estimates of proved, probable and possible reserves that have not been prepared in accordance with SEC pricing guidelines. Other estimates of hydrocarbon quantities included herein may not comport with specific definitions of reserves under SEC rules and cannot be disclosed in SEC filings. These estimates have been prepared by the Company and are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the Company.

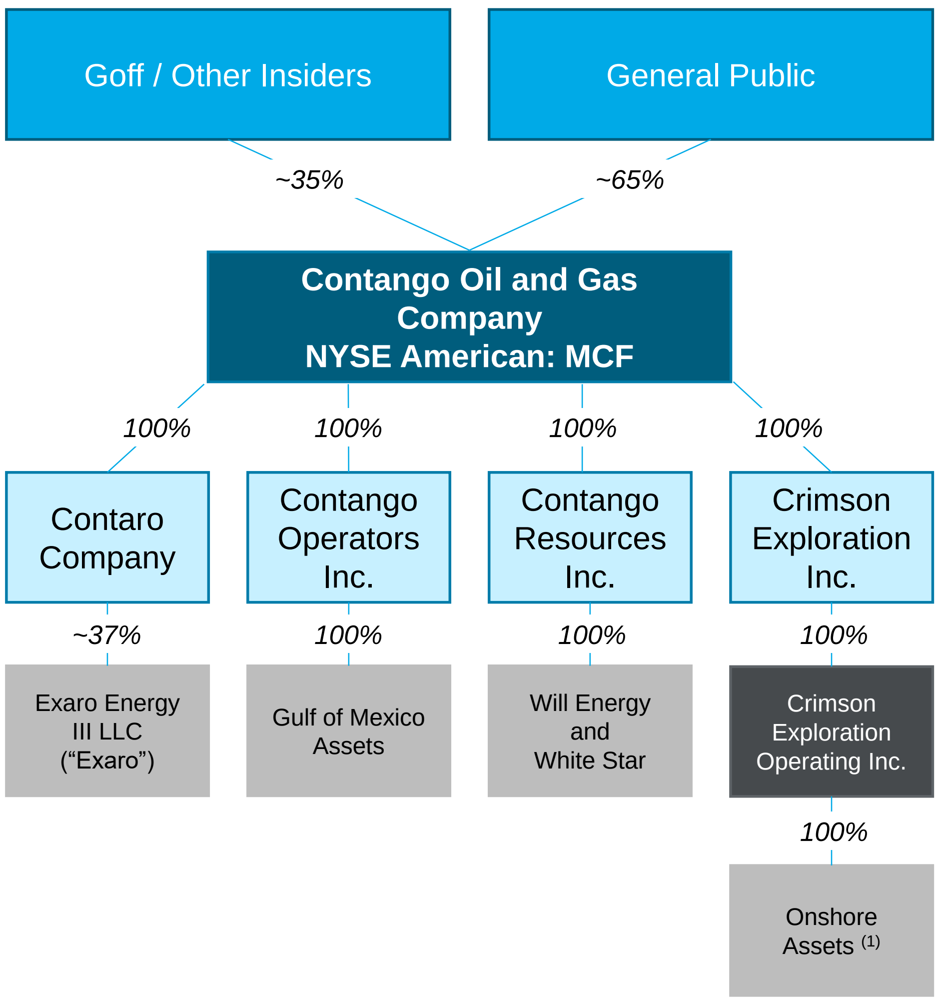
The estimates and guidance presented in this presentation are based on assumptions of capital expenditure levels, prices for oil, natural gas and NGLs, current indications of supply and demand for oil, well results and operating costs. IP and other production rates included in this presentation might not be indicative of production over longer periods in the life of the well. The guidance provided in this presentation does not constitute any form of guarantee or assurance that the matters indicated will be achieved. While we believe these estimates and the assumptions on which they are based are reasonable, they are inherently uncertain and are subject to, among other things, significant business, economic, operational and regulatory risks and uncertainties and are subject to material revision. Actual results may differ materially from our estimates and guidance, and we undertake no duty to update these statements.

For more cautionary statements about these estimates and the estimates of potential drilling locations, please read "Disclaimer" included in the appendix to this presentation.

This presentation is neither an offer to sell nor a solicitation of an offer to buy any securities, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. The shares sold in the recently announced private placement have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or under any state securities laws and, unless so registered may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Organization and Management

Organizational Structure and Ownership



Management

Name	Title
Wilkie S. Colyer, Jr.	President and CEO
E. Joseph Grady	SVP, CFO
W. Farley Dakan	SVP of Corporate Development
Michael J. Autin	VP, Operations

Board of Directors

Name	Affiliation
John C. Goff (Chairman)	Founder of Crescent Real Estate and Goff Capital
Wilkie S. Colyer, Jr.	President and CEO of Contango
B.A. Berilgen	Previously CEO of Patara Oil & Gas
B. James Ford	Previously MD at Oaktree Capital Management
Lon McCain	Previously VP, CFO of Westport Resources; Director of Cheniere Partners and Continental Resources
Joseph J. Romano	President and CEO of Olympic Energy Partners

Note: Contango Rocky Mountain, Inc. and Conterra Company are not pictured – MCF owns 100%.
1) Other Rocky Mountain assets (Muddy Sandstone) are held in Contango Rocky Mountain, Inc.

Company History and Recent Highlights

Company History

1999
Contango founded in 1999

2005
Fayetteville Shale acquired for ~$10mm

2006 - 2010
Offshore success of Eugene Island shallow-water discovery including 10 wells that remain a major production source (59% of 3Q19 production)

2008
Fayetteville Shale sold to Petrohawk and XTO for ~$300mm

2013
Kenneth Peak medical leave of absence

Merger with Crimson Exploration

2016
Acquired 5,000 net acres in Pecos County ("Bullseye") subsequently added an additional 1,700

2018
John Goff and affiliates purchased 18.8% of MCF

Wilkie Colyer, Jr. named CEO

Completed $34.5m equity offering

Acquired "Northeast Bullseye"

2019
Completed $56.4mm public equity offering and concurrent private placement and new, JPM-led RCF

Closed $22mm private placement equity offering

Completed acquisition of Will Energy ($23mm) and White Star ($132.5mm)

Executed $53mm private placement equity offering

Entered joint development agreement with Juneau Oil & Gas, LLC

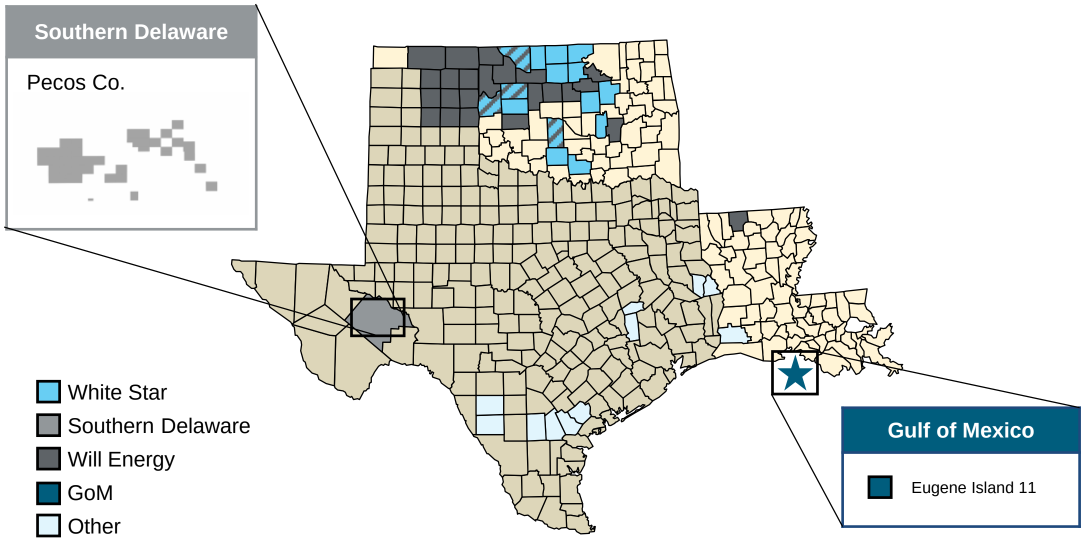
John Goff and affiliates increased ownership to ~35%

Contango Highlights

- ✓ Highly supportive, value-based equity ownership
- ✓ New management and directors committing time and capital to transforming business (high insider ownership)
- ✓ Concentrated shareholder base
- ✓ Simple capital structure (Revolving Credit Facility and Equity)
- ✓ Public currency that can be an advantage in potential transactions
- ✓ Low drilling requirements and lease expirations
- ✓ Low management salaries and G&A
- ✓ Proprietary relationships with lending banks and legal advisors that helps Contango continue to evaluate potential opportunities
- ✓ Expect significant free cash flow 2020 and beyond
- ✓ **Management's incentives are aligned with shareholders**

Current Asset Overview

Map of Current Assets



Note: Additional assets in Kansas, Mississippi, Wyoming and Gulf Coast are not shown

Asset Area	Q3 2019 Net Production		Proved Reserves	Proved PV-10	
	(MBoe/d)	*% Liquids*	MMBoe	$mm	% PDP
White Star	15.1	*60%*	35.9	$335.1	100%
Will Energy	1.5	*34%*	5.2	39.4	100%
Southern Delaware (1)	0.9	*86%*	9.8	77.2	61%
Gulf of Mexico	3.3	*22%*	8.2	100.1	100%
Other	1.4	*73%*	3.9	43.2	64%
Consolidated Total	**22.2**	***54%***	**63.1**	**$595.0**	**92%**
~37% Exaro Equity Interest	*1.1*	*7%*	*4.4*	*21.0*	*100%*
Grand Total	**23.3**	***51%***	**67.6**	**$616.0**	**93%**

White Star

- ~315,000 net acres focused in North Central Oklahoma
- 80% HBP / 65% operated; 77% average WI / 61% average NRI
- Backlog of DUC opportunities will assist in stabilizing PDP asset base
- Multiple target zones focused in the STACK, Anadarko and Cherokee Platform formations
- 85 owned SWDs with connected water gathering system

Will Energy

- ~160,000 net acres in North Louisiana and Western Anadarko Basin
  - ~95% HBP / ~75% operated
- Long-life, low decline assets - PDP decline rate of ~10%
- Low-risk upside potential
  - Significant PDNP development potential in both areas

Southern Delaware

- 8,400 net operated acres within premier U.S. onshore play
  - Bullseye: 6,500 net; NE Bullseye: 1,900 net
- Acreage materially de-risked from recent development by Contango and offset operators
- 2019 drill and completion schedule:
  - 2019: 5 wells drilled; 4 wells completed with an additional 2 to be completed
  - No near term drilling obligations
- Targeting WC A, WC B; prospective for Bone Spring
- Midstream integration / optionality
- Additional upside from bolt-on acquisition opportunities

Gulf of Mexico

- Stable production / cash flow base supported by active hedging program
- Shallow shelf position
  - Eugene Island situated in 13’ of water
- 100% PDP
- Minimal incremental capex and total net P&A liabilities of < $11mm as of December 2018

Note: SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing. PV-10 is a non-GAAP measure. See “PV-10 Definition” for more information.
1) Southern Delaware proved reserves and PV-10 exclude Northeast Bullseye.

Market Dynamics and Opportunity

Market Dynamics

- MLP / royalty trust exits are broken
- No IPO market outside of minerals
- Limited new debt originations
- No-bid/inefficient A&D market
- High G&A loads have become industry norm
- Private equity pullback
- Long lived assets generally out of favor and undervalued
- High capex development will be limited to strong corporate balance sheets
- **Assets are / will be "stuck" with non-natural ownership**

Market Opportunity

- Forced sellers with limited buyers
- Multiple levels of the capital stack are uneconomic
- Limited number of platforms that exist for G&A-light PDP / cash flow roll-up strategy
- Current oil prices are at favorable levels for a low-lift cost buyer
- Current commodity prices are not at levels high enough to solve sellers' balance sheet issues
- Active hedging program to mitigate commodity price risk
- **Significant amounts of assets can be acquired at unprecedented valuations and low multiples of cash flow**
    - **Low cash flow multiples (< 2.0x)**
    - **Significant discount to PDP PV-10**
    - **Free option value on PDNP and PUDs**
- **Multi-billion dollar opportunity set**

White Star Case Study

Commentary

▶ **<u>White Star Overview</u>**

- White Star (formerly American Energy-Woodford) was an affiliate of American Energy Partners founded by Aubrey McClendon (former founder and CEO of Chesapeake Energy) in 2013
- In May 2019, White Star filed for voluntary Chapter 11 bankruptcy and ran a 363 sales process
- Total invested net capital prior to bankruptcy: ~$1.1bn
- Total secured debt in bankruptcy: $361mm
  - $28.5mm under DIP
  - $274mm under the revolving credit facility
  - $58mm of term loan

▶ **<u>Bankruptcy and Acquisition Process Overview</u>**

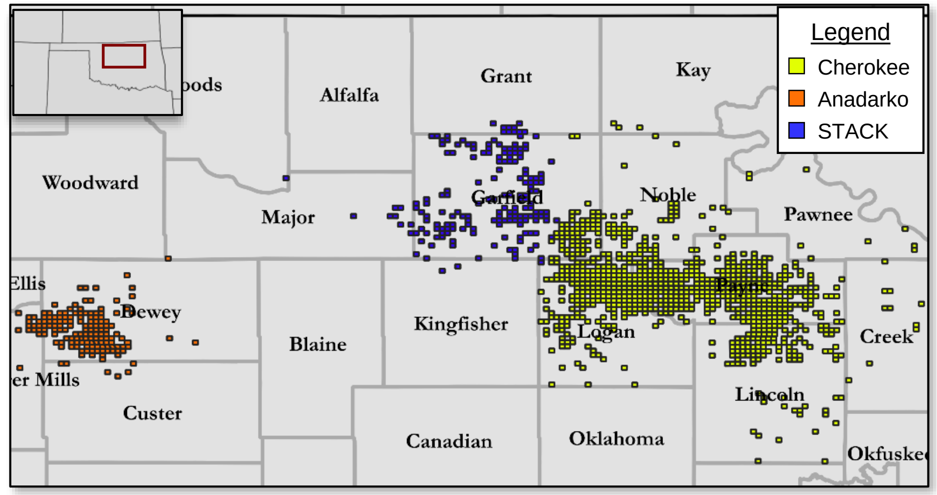
- Contango leveraged proprietary relationships with White Star's bank group and legal advisors to enter bidding process
- Contango was one of only two qualified bidders for White Star
- In November 2019, Contango purchased White Star's assets for $132.5mm (~$96mm post transaction adjustments)
  - Financed with a ~$22mm equity issuance and availability under the revolving credit facility

▶ **<u>Valuation Overview</u>**

Category	White Star [3]	Small Cap (Current) [4]
TEV/ Production ($/Boe/d)	$6,334	$31,201
TEV / PDP Reserves ($/Boe)	$2.66	$17.88
TEV / EBITDAX (x)	**1.6x**	**3.9x**

Attractive purchase price drives accretion

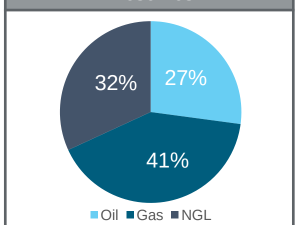
Map Of Key Assets [1]



Net PDP Reserves – Year End 2018 at SEC Pricing [2]

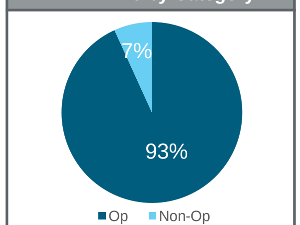
As of 12/31/2018	PDP Reserves Oil (MMBbl)	Gas (Bcf)	NGL (MMBbl)	Total (MMBoe)	PDP PV-10 ($mm)
Cherokee	7.2	60.9	8.7	26.0	$230.0
Anadarko	1.4	10.6	1.4	4.6	53.3
STACK	1.1	15.5	1.3	4.9	50.5
Other	0.0	1.5	0.1	0.4	1.3
Total PDP	**9.7**	**88.4**	**11.4**	**35.9**	**$335.1**

PDP Reserves Mix



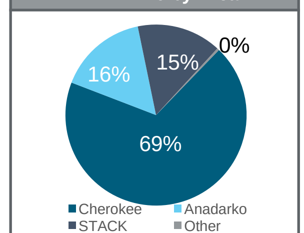
Total MMBoe: 35.9

PDP PV-10 by Category



Total PV-10: $335.1mm

PDP PV-10 by Area



Total PV-10: $335.1mm

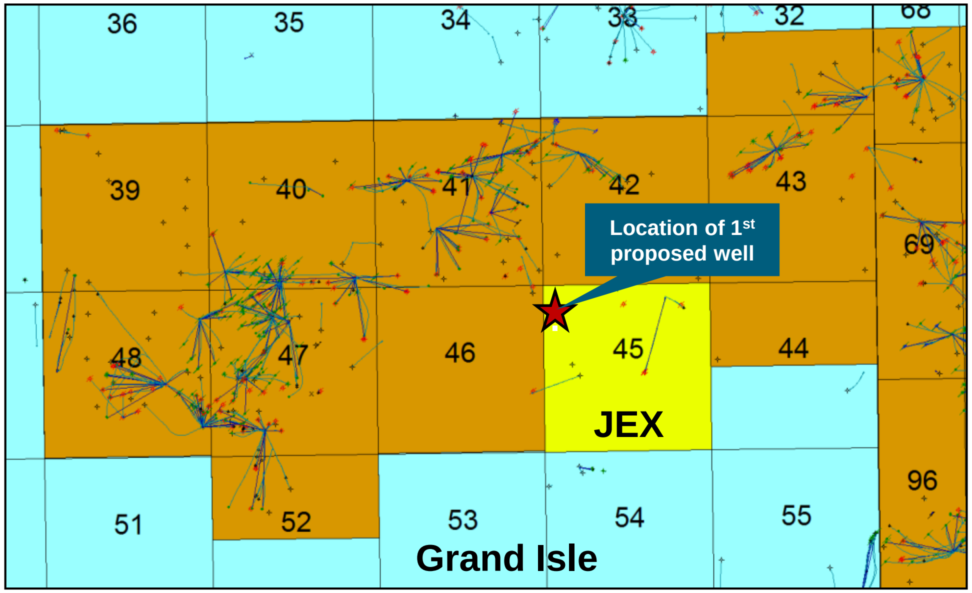
1) Map does not include certain other assets of White Star.
2) SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing. PV-10 is a non-GAAP measure. See "PV-10 Definition" for more information.
3) Based on post transaction adjusted purchase price. TEV / EBITDAX calculated using approx. $60mm in asset level cash flow expected over the next twelve months.
4) Small cap multiples include E&P companies with equity values between $300mm to $2bn - equity research report.

Iron Flea Prospect

Background & Summary

- ▶ Background
  - Contango Oil & Gas ("MCF") and Juneau Exploration ("JEX") have a long standing relationship
    - – JEX is responsible for the discovery of the Dutch/Mary Rose field, which became the centerpiece asset for MCF
  - JEX recently acquired 100% working interest in the Iron Flea Prospect
- ▶ Summary
  - MCF purchased 85% - 90% working interest in the Iron Flea Prospect
    - – JEX owns 10% - 15% working interest
  - 1st well net dry hole cost to MCF: $6.3mm (assuming 90% WI)
  - Total net development capital to MCF: $104.2mm (assuming 90% WI)
    - – Includes 6 Total wells and 1 Production Facility

Asset Locator Map



Iron Flea Prospect Overview

- ▶ Located in the Grand Isle Block 45 area
  - Area: ~1,420 acre Miocene Strat Trap
  - Depth: ~12,900' (water depth of 92'); normal pressure
  - Expect 75'-120' thick pay and excellent AVO response (Class 2/3)
- ▶ Iron Flea Prospect Reserve Potential: ~43 MMBoe (~86% oil)
- ▶ 1st well could prove up ~29 MMBoe recoverable
  - Expected IP Rate: 3,000 Bo/d
- ▶ Potential PV-10: $313MM (net to MCF, includes all burdens)
- ▶ IRR: 81% (includes all burdens)
  - Dry hole capital expenditures risked 2:1
- ▶ FD Discovery and F&D Full Dev. ($/Boe): $0.45 and $2.42, respectively
- ▶ Iron Flea Prospect economics compare favorably to other offshore/onshore opportunities

Summary of Proposed Terms

- ▶ $2,750,000 – Prospect Sunk Cost Reimbursement
- ▶ $3,000,000 – Prospect Fee (First right refusal of 5 additional prospects)
- ▶ JEX receives 5% Carry to first Production
- ▶ JEX receives 20% Back-in after project payout
- ▶ JEX will deliver 80% NRI on all prospects (excluding Iron Flea)
- ▶ Total Up Front Risked Capital - $12,087,000

Illustrative Economics

Prospect	$/Acre ($)	Lease Costs ($mm)	Net Full Dev. PV10 ($mm)	Net PV10 / (DHC+ Land)	IRR	Gross F&D Discovery ($/Boe)	Gross F&D Full Dev. ($/Boe)
Iron Flea Prospect	**$71**	**$0.4**	**$313**	**42.4x**	**81%**	**$0.45**	**$2.42**
Prospect X	$80	$0.4	$499	30.4x	90%	$0.30	$2.49
Deep Water Project	$2,000	$10	$211	3.8x	~30%	$2.20	$7.71
Core Delaware	$35,000	$45	$90	1.7x	~25%	$5.41	$15.69

Important Note: No reserves have been assigned to the Iron Flea Prospect and its development is speculative. Estimates of Reserve Potential, IP Rates, PV-10, Production, Illustrative Economics and other metrics are based on Contango management's estimates and current assumptions. Actual results may be materially adversely different than current expectations.

Capitalization and Liquidity

Commentary

- Recently entered into a new revolving credit facility with JPMorgan and borrowing base was increased to $145mm
- Capitalization, liquidity and metrics are pro forma for recent equity transactions[3] and acquisition of Will Energy and White Star
  - Debt and cash balances are as of November 1, 2019, pro forma the December 2019 equity raise and announced joint development agreement with Juneau Oil & Gas, LLC

Liquidity

$mm, unless otherwise noted

Borrowing Base	$145.0
(-) Amount Drawn	(58.4)
(-) Letters of Credit	(1.9)
Revolver Availability	**$84.7**
(+) Cash	2.2
Available Liquidity	**$86.9**

Capitalization

$mm, unless otherwise noted

Share Price as of 12/11/2019	$3.03
(x) Shares Outstanding	131.7
Total Equity Value	**$399.1**
(-) Cash and Cash Equivalents	(2.2)
(+) Total Debt (Incl. $5.0mm Promissory Note)	63.4
Total Enterprise Value	**$460.3**

Valuation Metrics	*Metric*	
TEV / Pro Forma EBITDAX (x)	*$80.8*[1]	5.7x
TEV / Pro Forma Production ($/Boe/d)	*22.0*[2]	$20,905
TEV / Proved Reserves ($/Boe)	*67.6*	$6.81
TEV / Proved PV-10 (x)	*$616.0*	0.7x
TEV / PDP Reserves ($/Boe)	*58.5*	$7.87
TEV / PDP PV-10 (x)	*$570.2*	0.8x

Credit Metrics	
Net Debt / Pro Forma EBITDAX (x)	0.8x
Net Debt / Proved Reserves ($/Boe)	$0.91
Net Debt / PDP Reserves ($/Boe)	$1.05
Proved PV-10 / Net Debt (x)	10.1x
PDP PV-10 / Net Debt (x)	9.3x

Note: SEC net proved reserves and PV-10 as of 12/31/2018 using SEC pricing. PV-10 is a non-GAAP measure. See “PV-10 Definition” for more information.

1) Pro forma EBITDAX is based on Contango’s 3Q 2019 actual EBITDAX (excluding non-recurring expenses) annualized and White Star’s NTM asset-level cash flow previously disclosed. Does not include cash flow from Will Energy. EBITDAX is a non-GAAP measure. See “Disclaimer” for more information.
2) Pro forma daily production is based on Contango’s 3Q 2019 actual daily production and Will Energy and White Star’s previously disclosed daily production.
3) Includes $22 million private placement in November 2019, $53 million private placement in December 2019 and equity consideration in Iron Flea prospect acquisition.

Investment Highlights

New Key Stakeholders

- Value-based equity ownership
- New management and directors committing time and capital to the transforming business
  - Fully aligned with current shareholders

Enhanced Financial Flexibility

- New five-year credit facility led by JP Morgan
- Completed a $56mm, $22mm and $53mm equity raise in September, November and December 2019, respectively
- Enhanced liquidity profile

Build Shareholder Value Through Intelligent Capital Allocation

- Will Energy and White Star serve as a proof of concept for value accretive transactions
- Long-term, growth-oriented investment platform
- Low-cost production enhancing opportunities and enhanced margins through operating cost reductions

PV-10 Definition

PV-10 is a non-GAAP financial measure and represents the present value, discounted at 10% per year, of estimated future cash inflows from proved natural gas and crude oil reserves, less future development and production costs using pricing assumptions in effect at the end of the period. PV-10 differs from Standardized Measure because it does not include the effects of income taxes on future net revenues. Neither PV-10 nor Standardized Measure represents an estimate of fair market value of our natural gas and crude oil properties. PV-10 is used by the industry and by our management as an arbitrary reserve asset value measure to compare against past reserve bases and the reserve bases of other business entities that are not dependent on the taxpaying status of the entity.

For purposes of the following table, proved reserves and PV-10 at December 31 is calculated using SEC Pricing and PV-10 for December 31 is calculated using SEC pricing.

The following table provides a reconciliation of our Standardized Measure to PV-10 (in thousands):

	December 31, 2018	
	Contango Standalone	Investment in Exaro[1]
Standardized measure of discounted future net cash flows	$218,944	$21,001
Future income taxes, discounted at 10%	1,563	0
Pre-tax net present value, discounted at 10%	$220,507	$21,001

A reconciliation of PV-10 of Will Energy and White Star to the standardized measure of discounted future net cash flows is unavailable to Contango without unreasonable effort. Contango is not able to provide a quantitative reconciliation because certain items required for such reconciliation are outside of the company's control and/or cannot be reasonably determined.

1) Exaro does not include the effect of income taxes because Exaro is treated as a partnership for tax purposes.

Disclaimer

This presentation includes certain estimates of proved reserves that have not been prepared in accordance with SEC pricing guidelines. Other estimates of hydrocarbon quantities and type curve metrics included herein (including average type curve metrics for the Southern Delaware Basin) may not comport with specific definitions of reserves under SEC rules and cannot be disclosed in SEC filings. The SEC requires oil and gas companies, in their filings with the SEC, to disclose proved reserves, which are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions (using unweighted average 12-month first day of the month prices), operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation.

SEC rules require pricing of reserves using a 12-month first day of the month index price average as of December 31, 2018, which were $65.56 per barrel of oil and condensate and $3.10 per MMBtu of natural gas, before adjustments for regional price differentials and transportation costs.

Offshore and Southern Delaware Basin reserves at December 31, 2018, were prepared by William M. Cobb & Associates. Remaining onshore reserves at December 31, 2018 were prepared by Netherland Sewell & Associates, Inc. All other reserves prepared by Company-engineered reserve reports, except where otherwise stated.

We cannot assure you that all of our acreage will ultimately be prospective in all or any of the targeted zones, or that such acreage will ultimately be drilled or included in drilling units. For purposes of estimates in this presentation, we have assumed that our acreage is prospective and capable of being included in drilling units of sufficient size to drill wells with 10,000 foot laterals.

Type curve metrics described herein refer to the Company’s internal estimates of average per well hydrocarbon quantities and production profiles that may be potentially recovered from a hypothetical future well developed generally from the most analogous information available based on the average offset well performance of Company or third party operator wells with similar lateral lengths and completion styles. These quantities do not necessarily constitute or represent reserves within the meaning of the Society of Petroleum Engineer's Petroleum Resource Management System or SEC rules. There is no assurance that the Company will achieve comparable results on its acreage and individual well results will vary. Information concerning the Southern Delaware Basin is based solely upon analysis of third party data and drilling results and is therefore subject to greater risk of recovery.

Estimates of proved reserves disclosed in this presentation should be read together with the estimates of proved reserves that have been prepared in accordance with applicable SEC regulations and included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018.

Non-GAAP Financial Measure

This presentation includes the non-GAAP financial measure, EBITDAX. EBITDAX represents net income (loss) before interest expense, taxes, depreciation, depletion and amortization, and oil and gas exploration expenses. We have included EBITDAX. We believe EBITDAX is an important supplemental measure of operating performance because it eliminates items that have less bearing on our operating performance and therefore highlights trends in our core business that may not otherwise be apparent when relying solely on GAAP financial measures. We also believe that securities analysts, investors and other interested parties frequently use EBITDAX in the evaluation of companies, many of which present EBITDAX when reporting their results.

A reconciliation of EBITDAX, pro forma for White Star, to net income (loss) is unavailable to Contango without unreasonable effort. Contango is not able to provide a quantitative reconciliation because certain items required for such reconciliation are outside of the company's control and/or cannot be reasonably determined.

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