

Q3 2021 Earnings Presentation



FRESH PERSPECTIVE

PROVEN STRATEGY

November 2021



Forward-Looking Statements and Cautionary Note Regarding Hydrocarbon Disclosures

Forward –Looking Statements

This Presentation includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. All statements, other than statements of strictly historical facts included in this Presentation constitute forward-looking statements and may often, but not always, be identified by the use of such words as "may," "will," "should," "could," "intends," "estimates," "expects," "anticipates," "plans," "guidance," "target," "potential," "possible," "probably," and "believes" or the negative variations thereof or comparable terminology. These forward-looking statements include statements regarding the Company's financial position, future revenues, net income, potential evaluations, business strategy and plans and objectives for future operations. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that may cause actual results to be materially different than any future results expressed or implied in those statements. However, whether actual results and developments will conform to expectations is subject to a number of material risks and uncertainties, including but not limited to: declines in oil, natural gas liquids or natural gas prices; the level of success in exploration, development and production activities; the timing of exploration and development expenditures; inaccuracies of reserve estimates or assumptions underlying them; revisions to reserve estimates as a result of changes in commodity prices; impacts to financial statements as a result of impairment write-downs; risks related to level of indebtedness and periodic redeterminations of the borrowing base under the Company's credit facility; the impacts of hedging on results of operations; the Company's ability to replace oil and natural gas reserves; any loss of senior management or technical personnel; and the direct and indirect impact on most or all of the foregoing on the evolving COVID-19 pandemic. Some of the factors that could cause actual results to differ materially from expected results are described under "Risk Factors" in our 2020 annual report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on March 16, 2021, and in our subsequent quarterly reports on Form 10-Q and current reports on Form 8-K. Although the Company believes that the assumptions upon which such forward-looking statements are based are reasonable, it can give no assurance that such assumptions will prove to be correct. All forward-looking statements in this Presentation are expressly qualified by the cautionary statements and by reference to the underlying assumptions that may prove to be incorrect.

The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof, except as required by applicable law. The financial and operating projections contained in this presentation represent our reasonable estimates as of the date of this presentation. Neither our auditors nor any other third party has examined, reviewed or compiled the projections and, accordingly, none of the foregoing expresses an opinion or other form of assurance with respect thereto. The assumptions upon which the projections are based are described in more detail herein. Some of these assumptions inevitably will not materialize, and unanticipated events may occur that could affect our results. Therefore, our actual results achieved during the periods covered by the projections will vary from the projected results. Prospective investors are cautioned not to place undue reliance on the projections included herein.

Cautionary Note regarding Hydrocarbon Disclosures

The SEC has generally permitted oil and natural gas companies, in their filings with the SEC, to disclose proved reserves, which are reserve estimates that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, and certain probable and possible reserves that meet the SEC's definitions for such terms. We use the terms "estimated ultimate recovery," or "EURs," "probable," "possible," and "non-proven" reserves, reserve "potential" or "upside" or other descriptions of volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC's guidelines prohibit us from including in filings with the SEC. Reference to EURs (estimated ultimate recovery) of natural gas and oil includes amounts that are not yet classified as proved reserves under SEC definitions, but that we believe will ultimately be produced and are based on previous operating experience in a given area and publicly available information relating to the operations of producers who are conducting operations in these areas. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by us. Factors affecting the ultimate recovery of reserves that may be recovered include the scope of our drilling program, which will be directly affected by capital availability, drilling and production costs, commodity prices, availability of services and equipment, permit expirations, transportation constraints, regulatory approvals and other factors, and actual drilling results, including geological and mechanical factors affecting recovery rates. Accordingly, actual quantities that may be recovered from our interests will differ from our estimates and could be significantly less than our targeted recovery rate. In addition, our estimates may change significantly as we receive additional data.

Supplemental Non-GAAP Financial Measures

This Presentation includes financial measures that are not in accordance with generally accepted accounting principles ("GAAP"), such as "Adjusted Net Income," "Adjusted EBITDA," "PV-10," "Free Cash Flow," or "FCF," and "Cash Flow from Operations." While management believes that such measures are useful for investors, they should not be used as a replacement for financial measures that are in accordance with GAAP. For definitions of such non-GAAP financial measures, please see the Appendix.



Ring Energy – Independent Oil & Gas Company

Currently Focused on Conventional Permian Assets in Texas & New Mexico

Deliver competitive and sustainable returns by developing, acquiring, exploring for, and commercializing oil and natural gas resources VITAL TO THE WORLD'S HEALTH AND WELFARE



**Consistently
Generating Positive
Cash Flow**



Market Cap
\$399 million
(as of November 9, 2021)



October 2021 Net Sales²
Over 9,000 Boe/d
87% oil



Enterprise Value
\$694 million
(as of November 9, 2021)



2020 SEC Proved Reserves
76.5 MMBoe/PV10 \$638MM
87% Oil



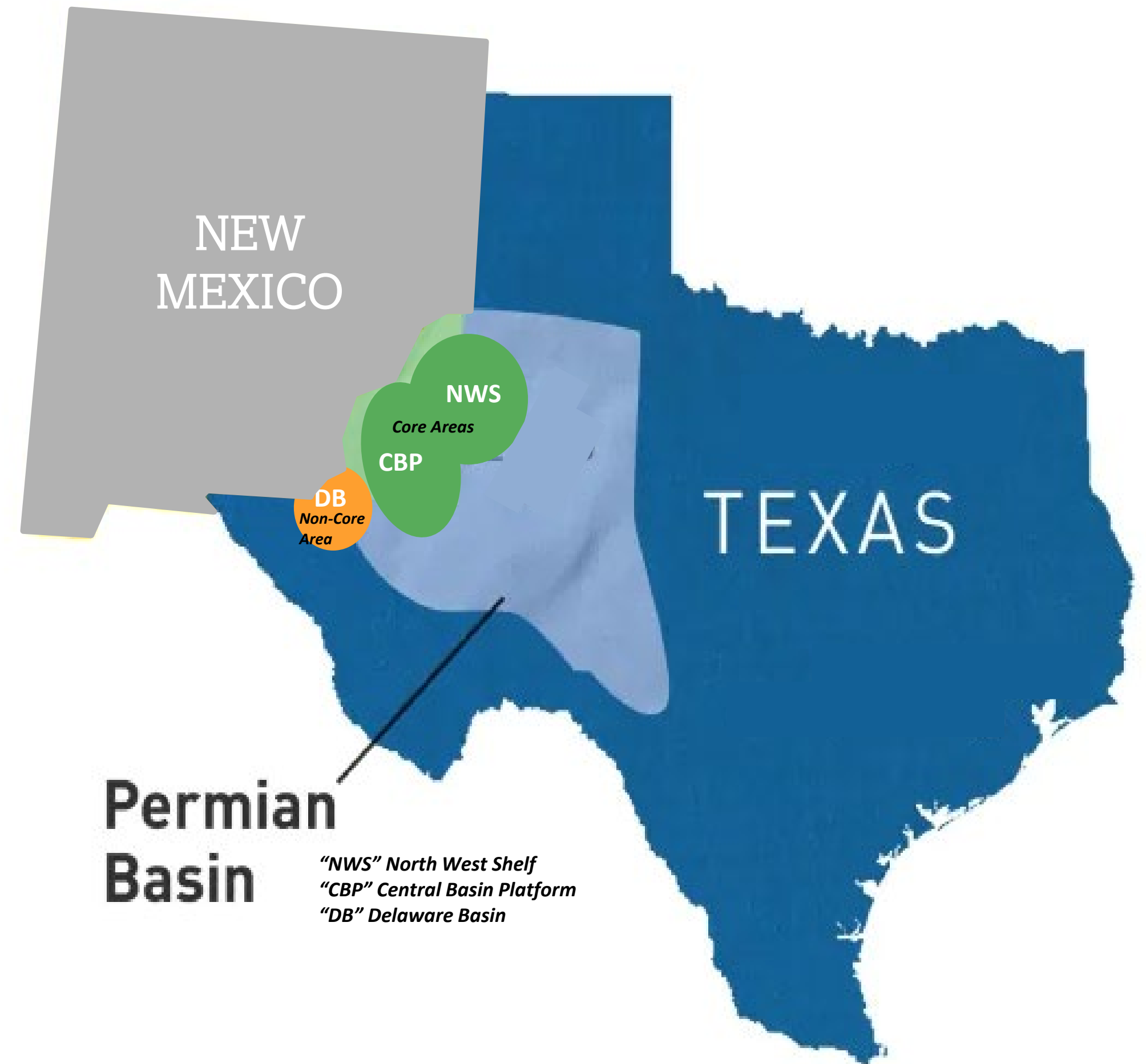
REI
Closing Price \$4.02
52-week range \$0.50 - \$4.16
(as of November 9, 2021)



Gross / Net Acres
104,455 / 76,745



REI
Avg. Daily Share
Volume ~2.4 million¹





Q3 2021 Highlights

Executing our Strategy

Q3 2021 Highlights

- Delivered net cash provided by operating activities of \$17.5 million
- Further reduced debt by \$5.5 million utilizing a portion of Free Cash Flow
- Completed and placed on production 4 Phase III wells (2 NWS & 2 CBP) within budget
- Commenced a Phase IV drilling program of two wells (1 NWS & 1CBP)
 - NWS 1.0-mile lateral placed on production at the end of Oct.
 - CBP 1.5-mile lateral was successfully drilled in Oct. and awaiting completion
- Performed 10 CTRs (7 NWS & 3 CBP) reducing future overall operating costs and diminishing costly workovers

\$14.2 MM
Net Income

\$2.6¹ MM
Free Cash Flow

\$19.7¹ MM
Adjusted EBITDA

\$5.5 MM
Debt Repayment

8,243 Boe/d
(87% oil)
Net Sales per day

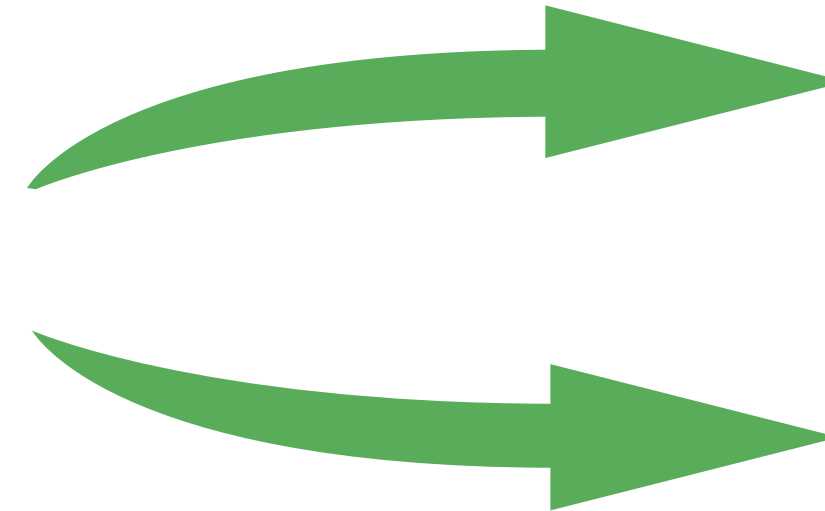
\$10.60²
Lifting cost per Boe



YTD 2021 Successful Initiatives¹

Provided Value Through Operational Excellence

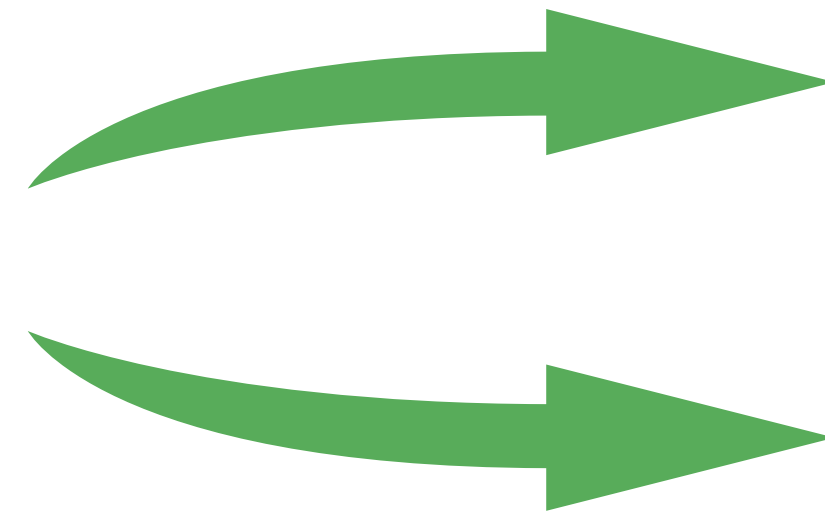
Pursue Cost Reduction Strategies and Operational Excellence



Sustainably low LOE at <\$10/Boe

Generated \$59 MM in Adj. EBITDA

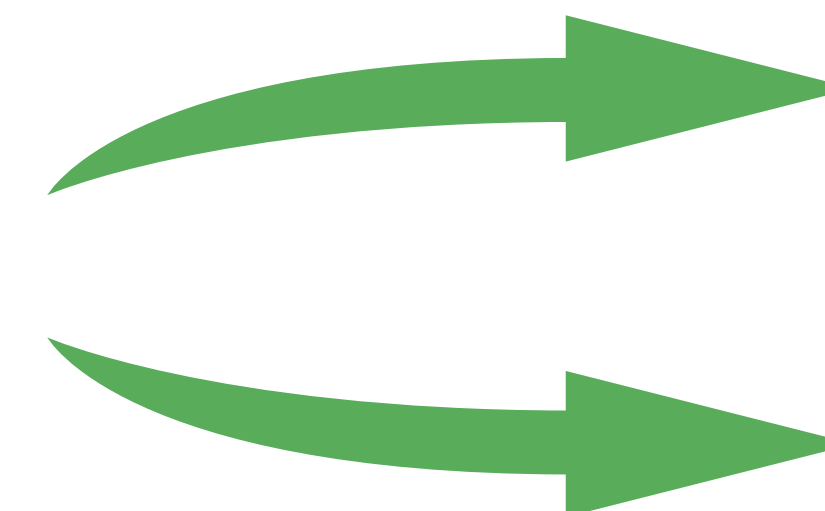
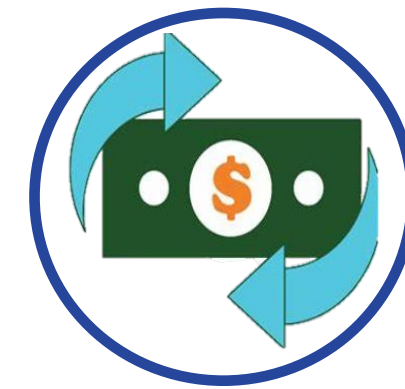
Invest in High-Margin, High ROR Projects



Completed 12 Successful Wells²

Performed 24 CTRs³

Focus on FCF and Strengthening the Balance Sheet



Generated \$11 MM FCF

Reduced Debt by \$18 MM

Asset Areas



San Andres Reservoir

Proven, Conventional, Oily

	San Andres Hz	Delaware Hz	Midland Hz
High ROR Oil Play	✓	✓	✓
Low D&C Costs	✓		
Lower 1 st Year Decline	✓		
Low Lease Acquisition Cost	✓		
Long life wells	✓		
IPs >750 Bo/d		✓	✓
Multiple Benches		✓	✓
> 90% Black Oil	✓		
< \$25/Bbl D&C Break-even	✓		

- Permian Basin has produced >30 BBbl,
 - San Andres accounts for 40%
- Low D&C costs \$2 - \$3 MM per well
- Vertical depth of ~5,000'
- Typical oil column of 200' - 300'
- Life >35+ years
- Initial peak rates of 300 - 700 Bbl/d
- Higher primary recovery than shales
- Potential for waterflood and CO₂



Northwest Shelf Asset

Significant Organic Growth Platform



2020 Avg Sales
5,399 Boe/d (85% Oil)



Gross / Net Acres
46,972 / 32,915

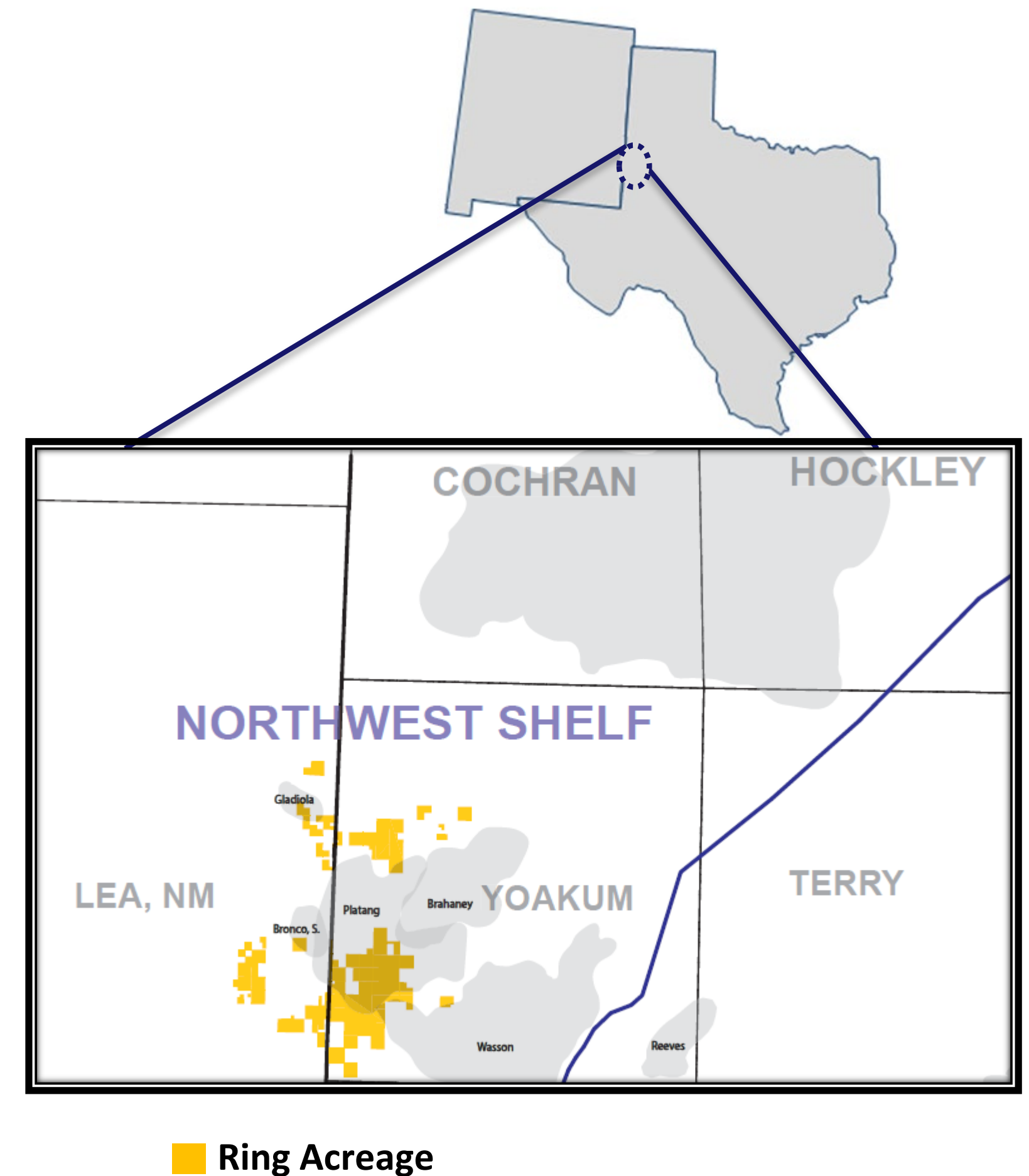


YTD 2021 D&C
Completed 4 Phase I wells (~99% WI)
Completed 3 Phase II wells (~74% WI)
Completed 2 Phase III wells (~100% WI)



YTD 2021 CTR's
18 Conversions

- **Actively developing asset**
- **Completed 1 more HZ wells in Phase IV drilling program in Oct. (~75% WI)**
- **Low D&C and LOE costs drive strong economics**
- **Meaningful inventory of horizontal drilling locations**
- **CTR program further reducing costs, completed 18 CTRs YTD in NWS**

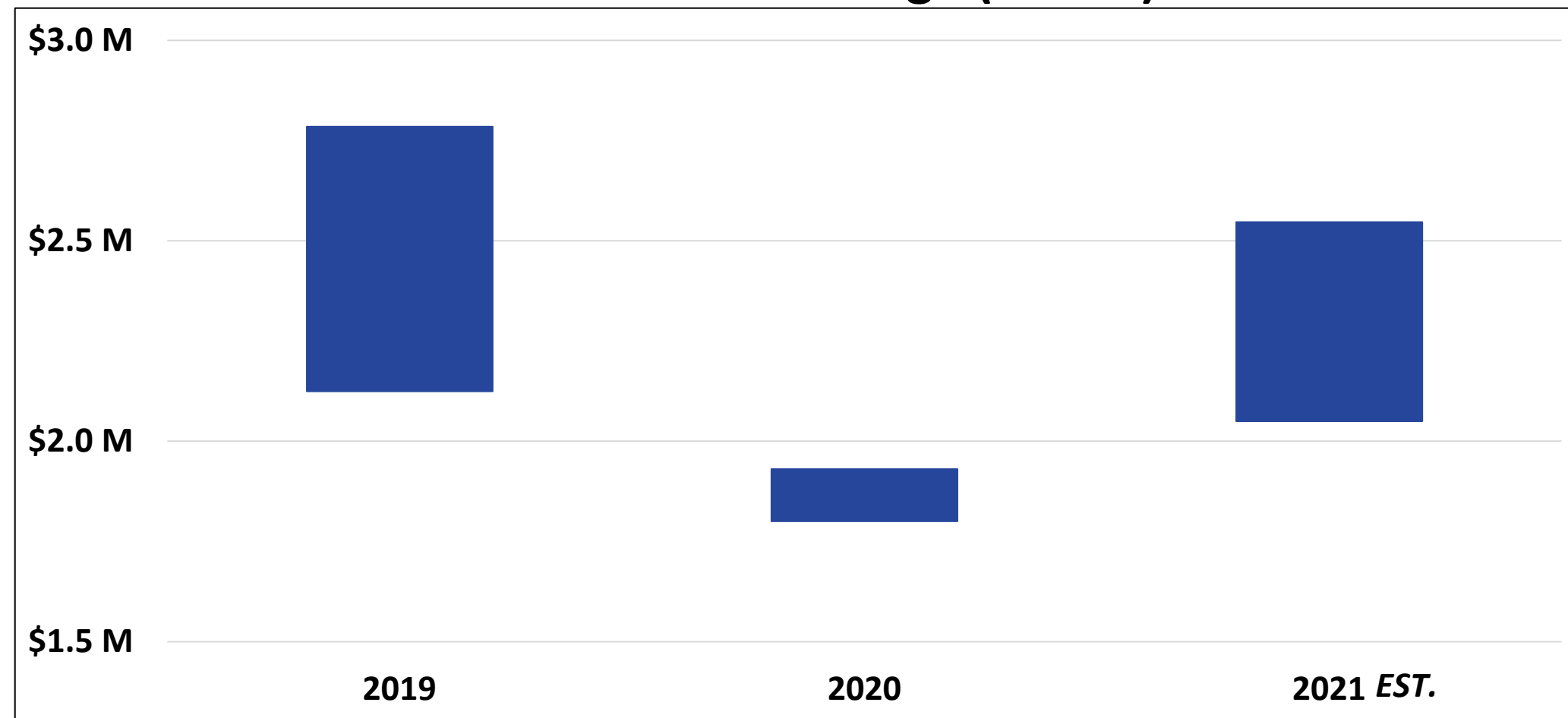




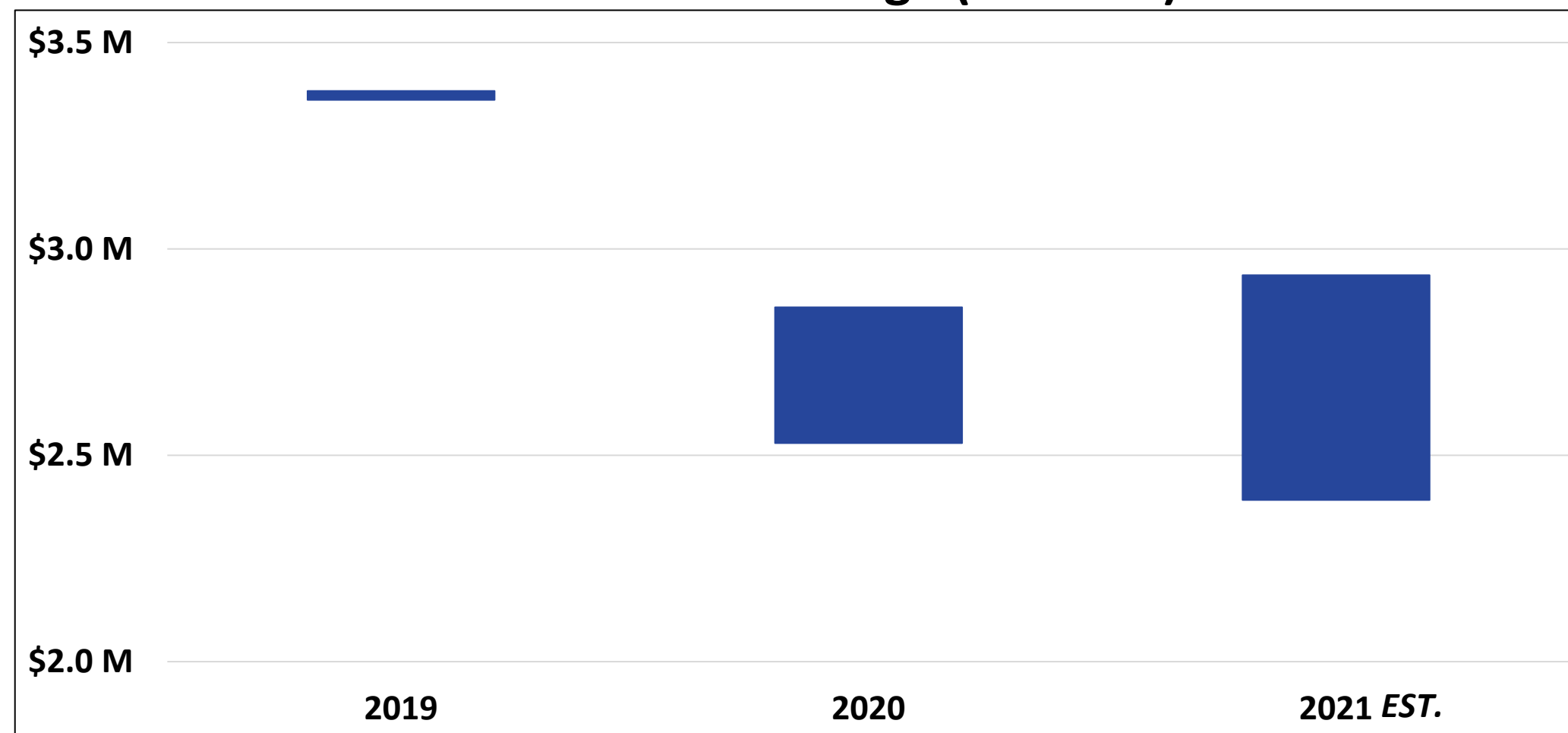
Improving Performance & Cost

Significant Improvement Driving Top Tier Returns

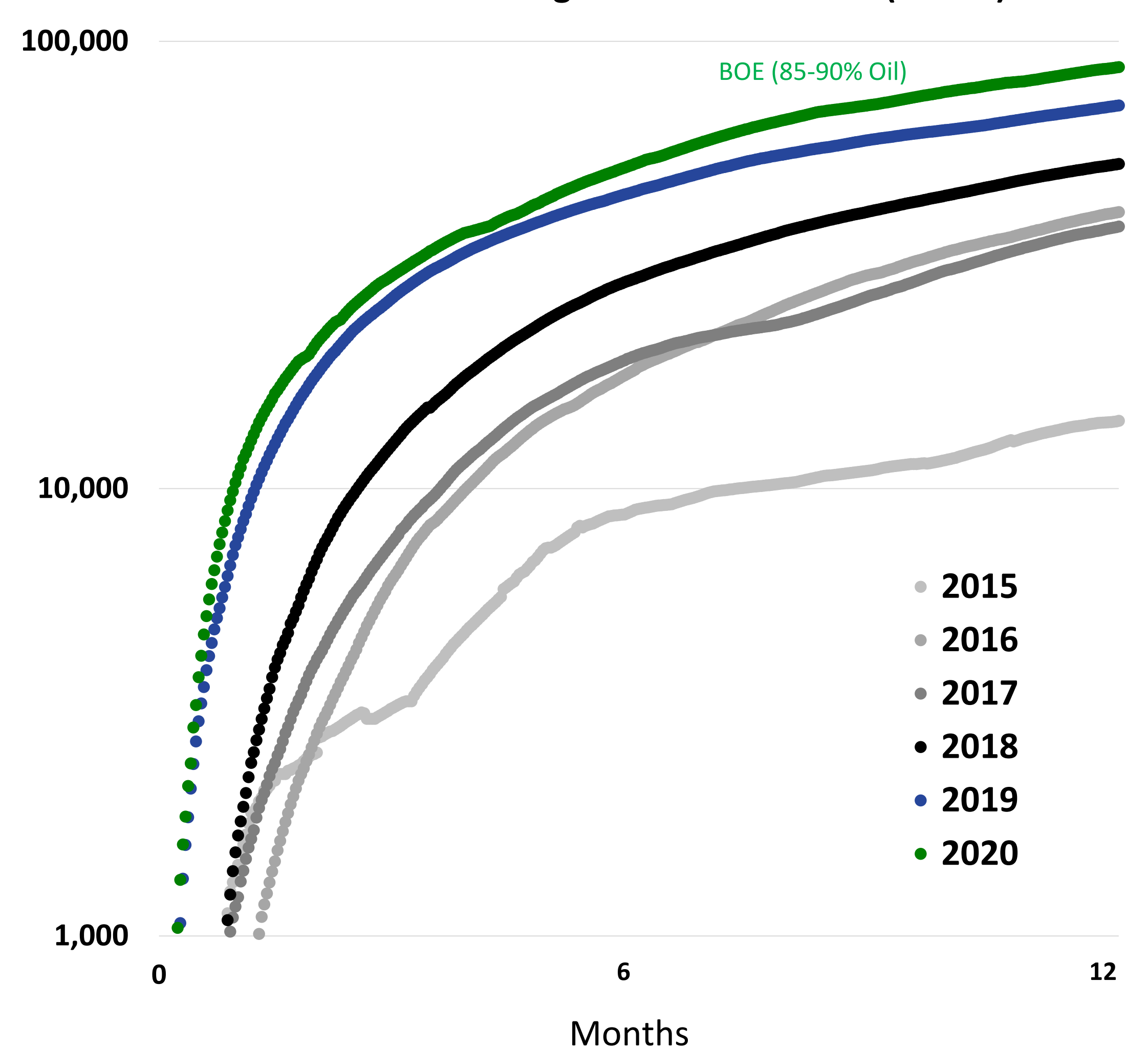
Annual D&C Cost Range (1 Mile)¹



Annual D&C Cost Range (1.5 Mile)¹



NWS Annual Average Cum BOE vs Time (1 Mile)^{2,3}





Central Basin Platform Asset

Substantial Upside Potential



2020 Avg Sales
2,742 Boe/d (96% Oil)



Gross / Net Acres
39,714 / 25,362

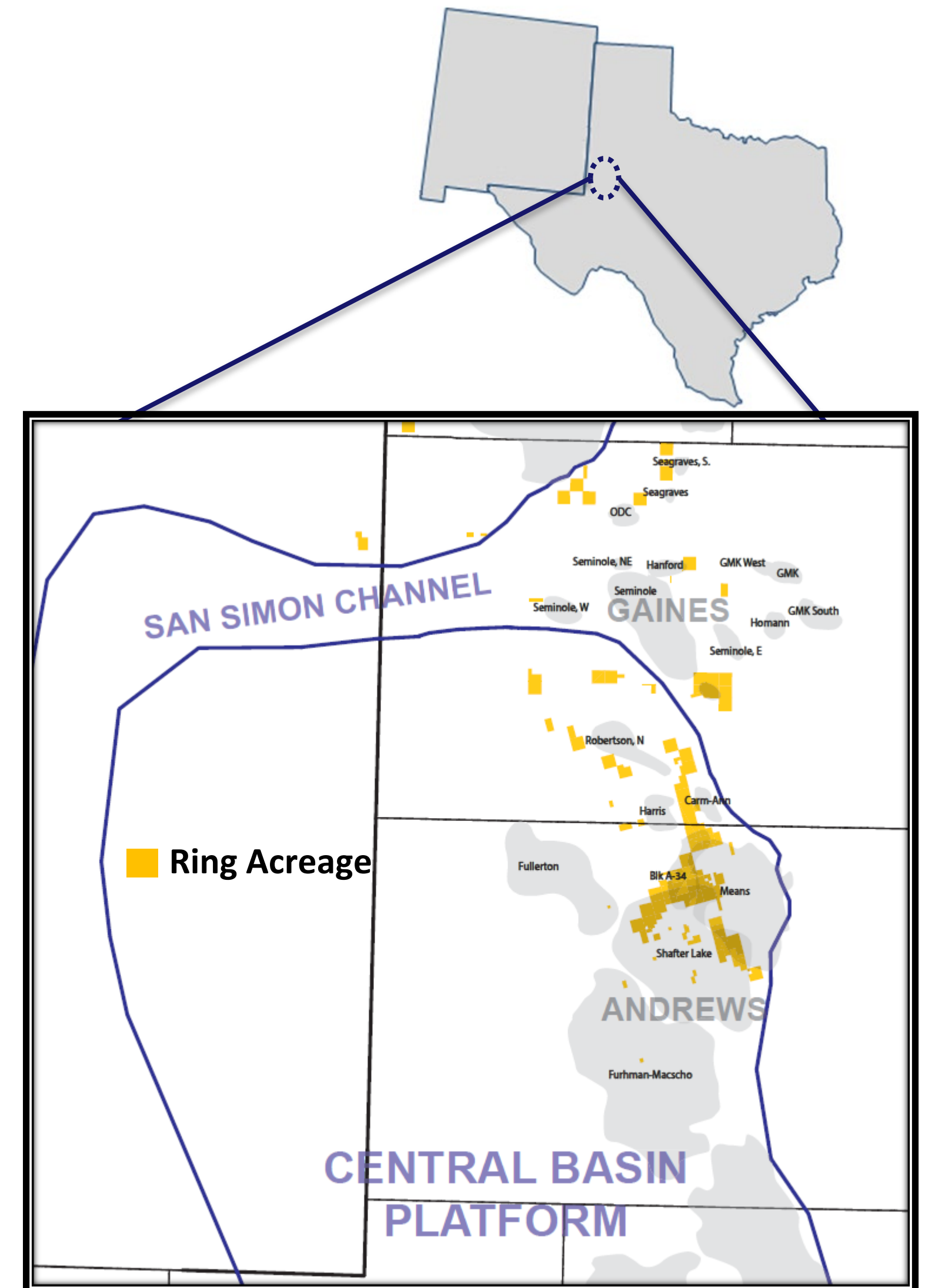


YTD 2021 D&C
Completed 2 Phase III wells (~100% WI)



YTD 2021 CTR's
6 Conversions

- **Completing 1 more HZ wells in Phase IV drilling program by year-end 2021 (100% WI)**
- **Low D&C and LOE costs drive strong economics**
- **Actively working through CTR inventory to reduce costs and extend reserve life, completed 6 CTRs YTD in CBP**
- **Meaningful inventory of horizontal drilling locations**





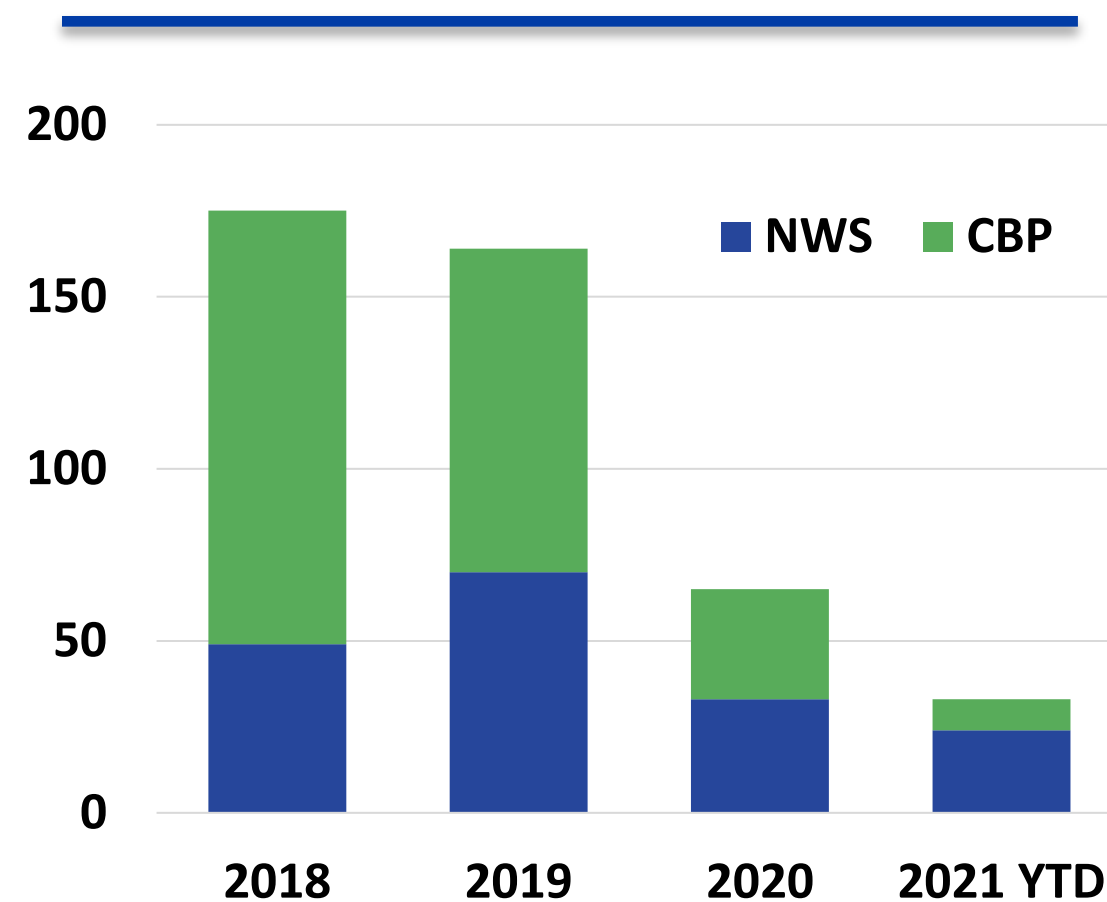
Strategic Focus: CTRs

Maintains Solid PDP Reserve Base that Generates Consistent FCF

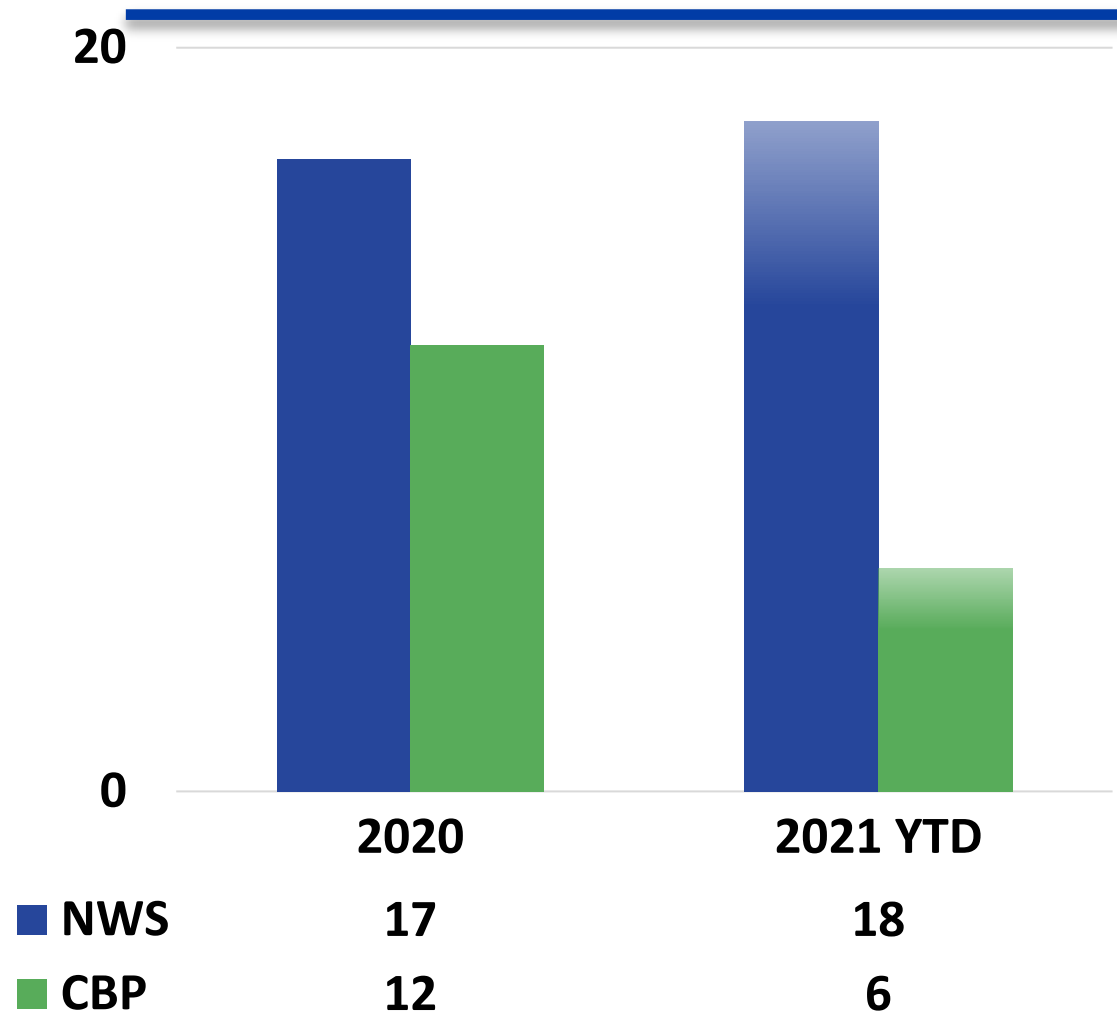
- Increasing reserves by extending well longevity and reducing operating & well repair costs

- ~50% long-term reduction in LOE
- Up to 80% reduction in future pulling costs
- Extends economic life & increases EUR

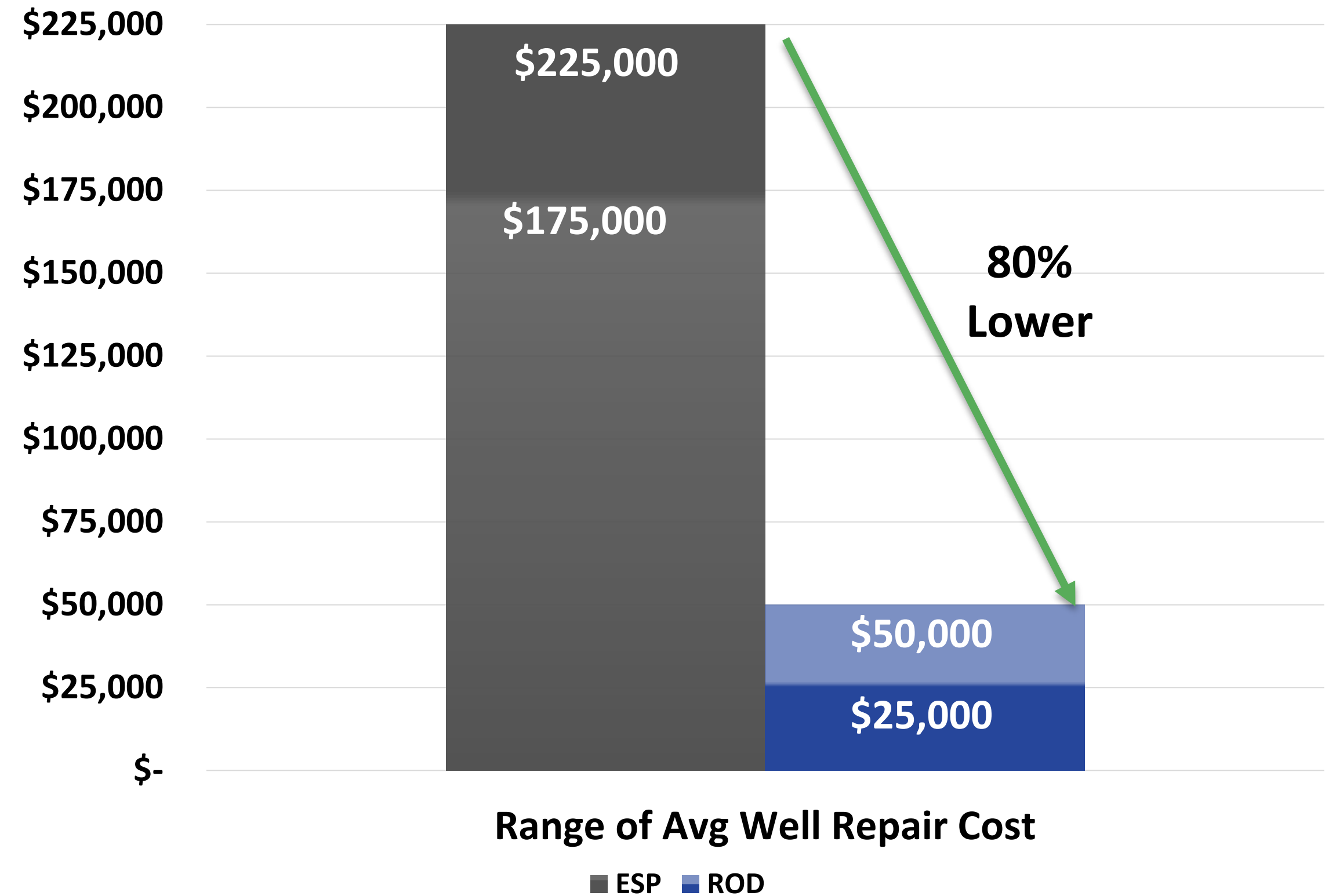
ESP Failures 2018 – 2021



CTR Projects 2020 - 2021



Cost Savings ESP vs ROD



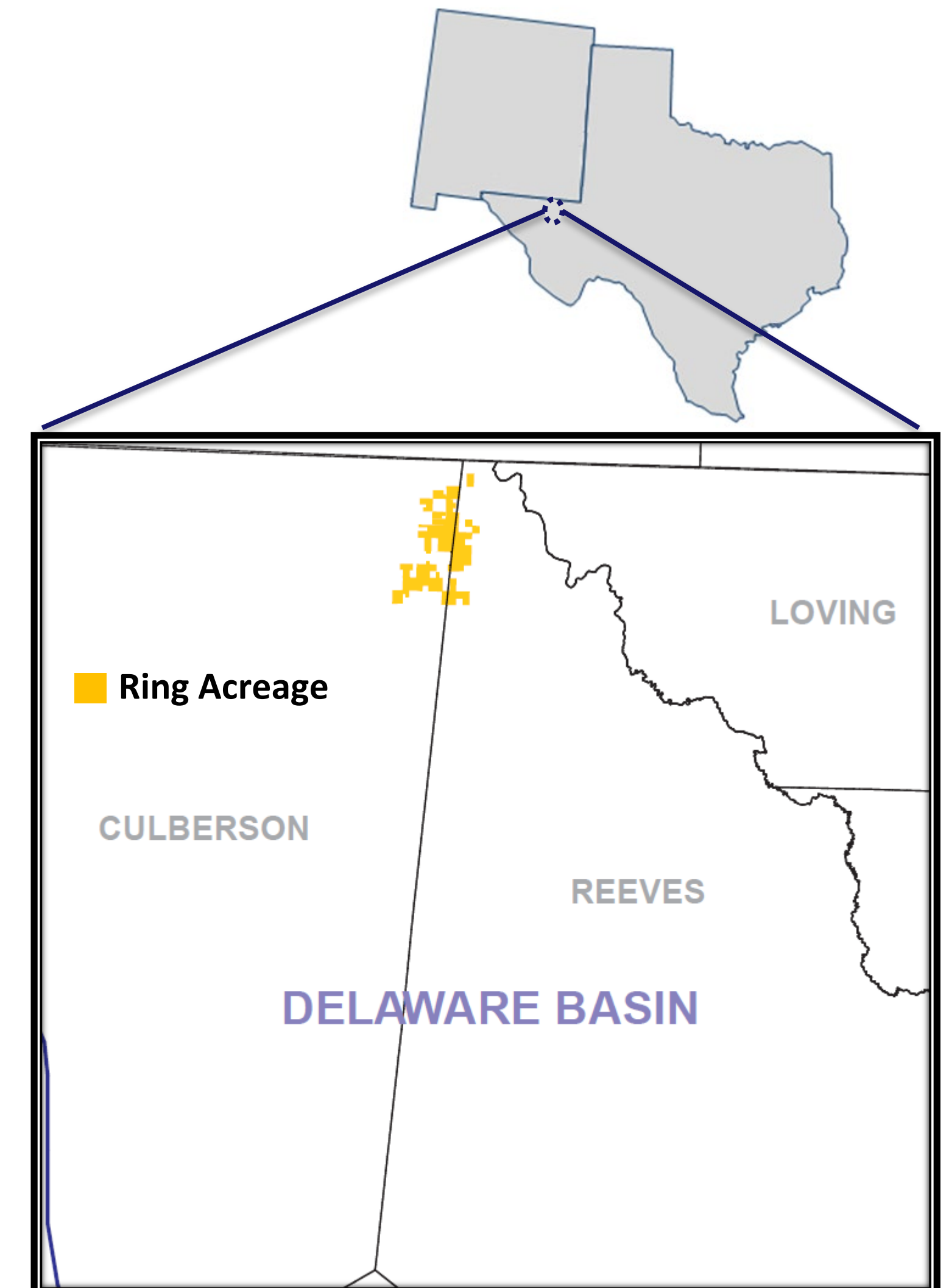
Maximizing Operational Margin is Predicated on Being THE LOW-COST OPERATOR



Delaware Basin Asset

Turnkey Asset with Predictable Cash Flow and Upside Potential

- Launched sales process for Delaware Assets in 2021
- Truist Securities running a marketed process
- Asset infrastructure in-place to enable efficient development
 - Produced water, gas gathering and pipeline
- Long life and shallow decline PDP base
- High ownership - working interest ~ 98% (75% NRI)
- Large inventory of re-activations, re-completions, and new drills



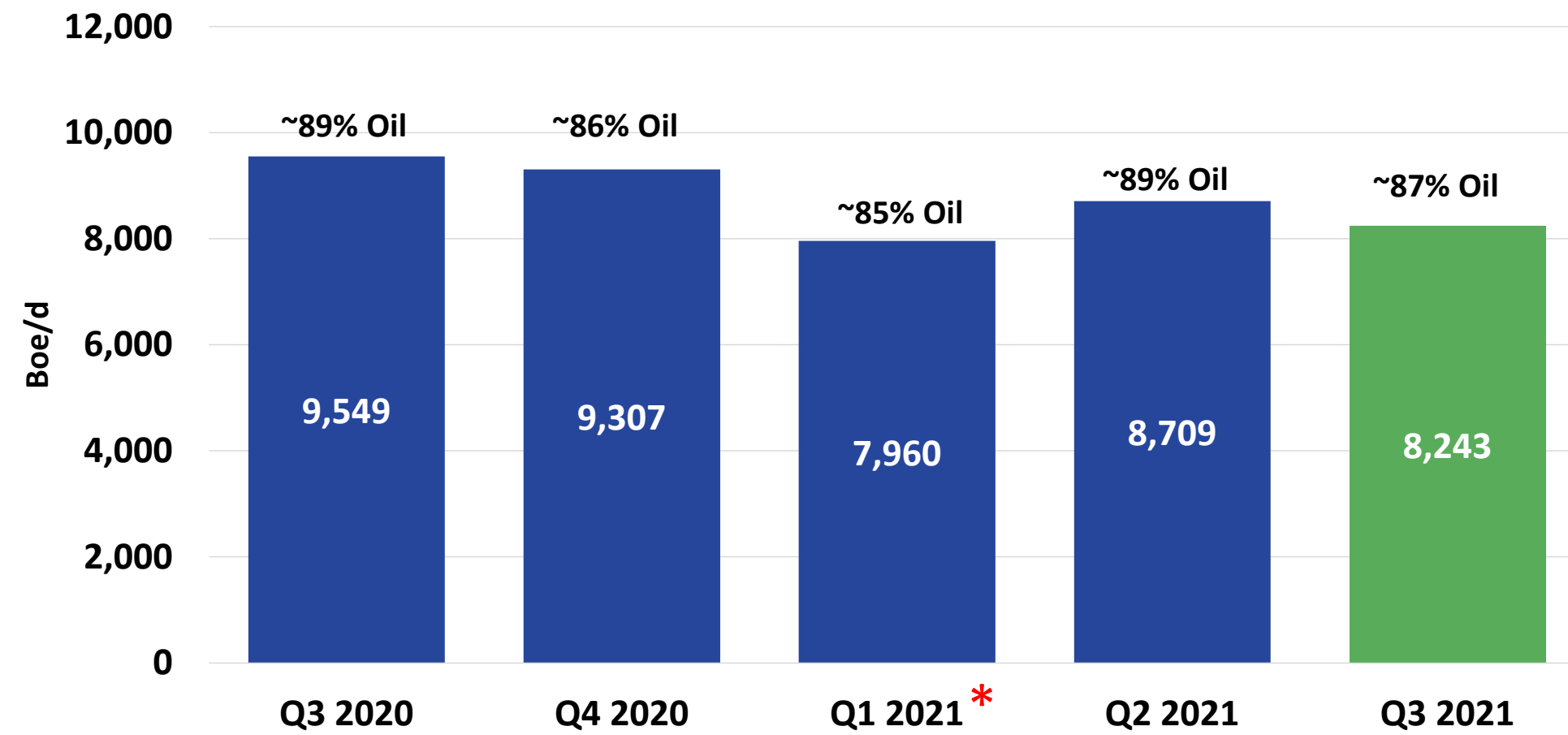
Financials



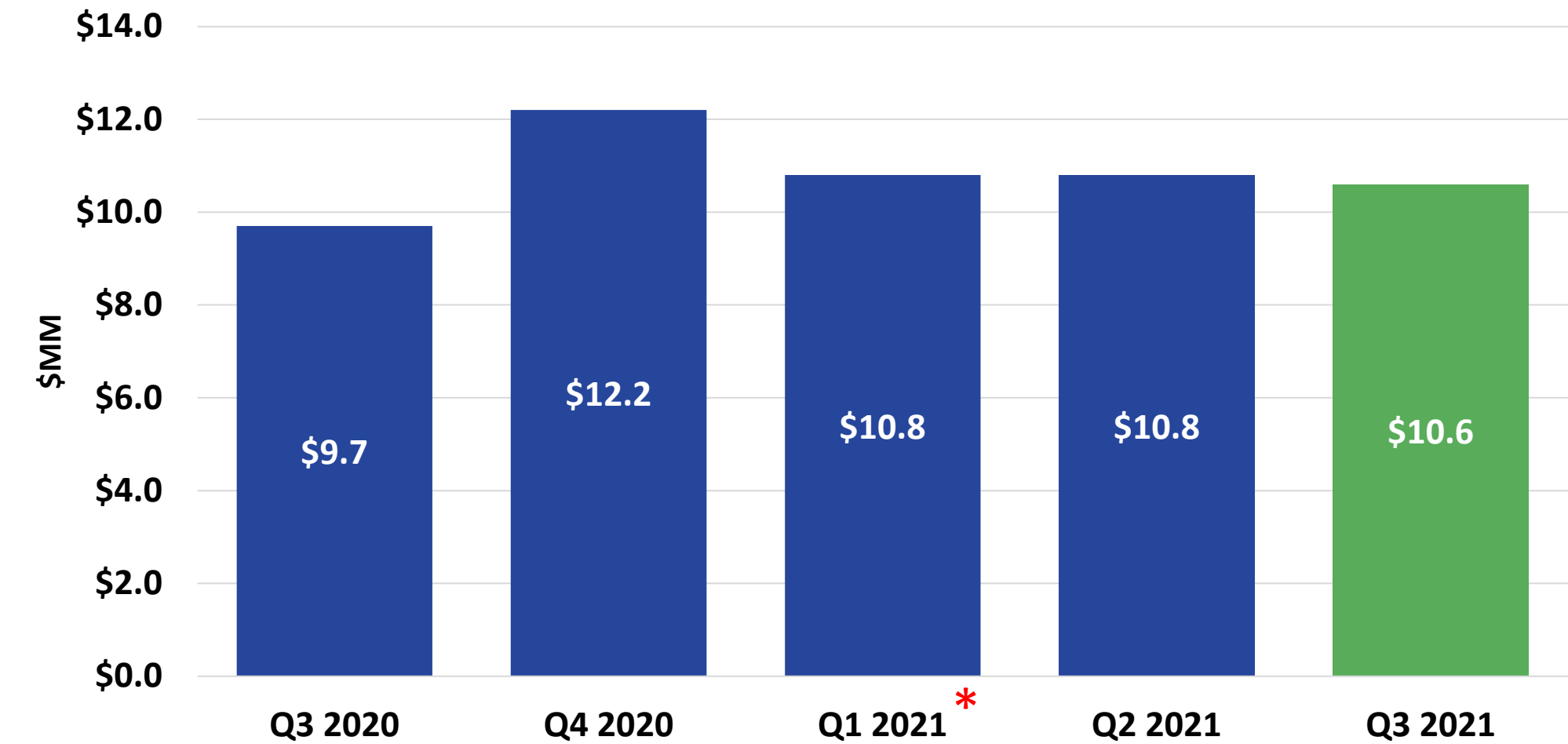
Generating Sustainable Results

Supporting Strategic Vision

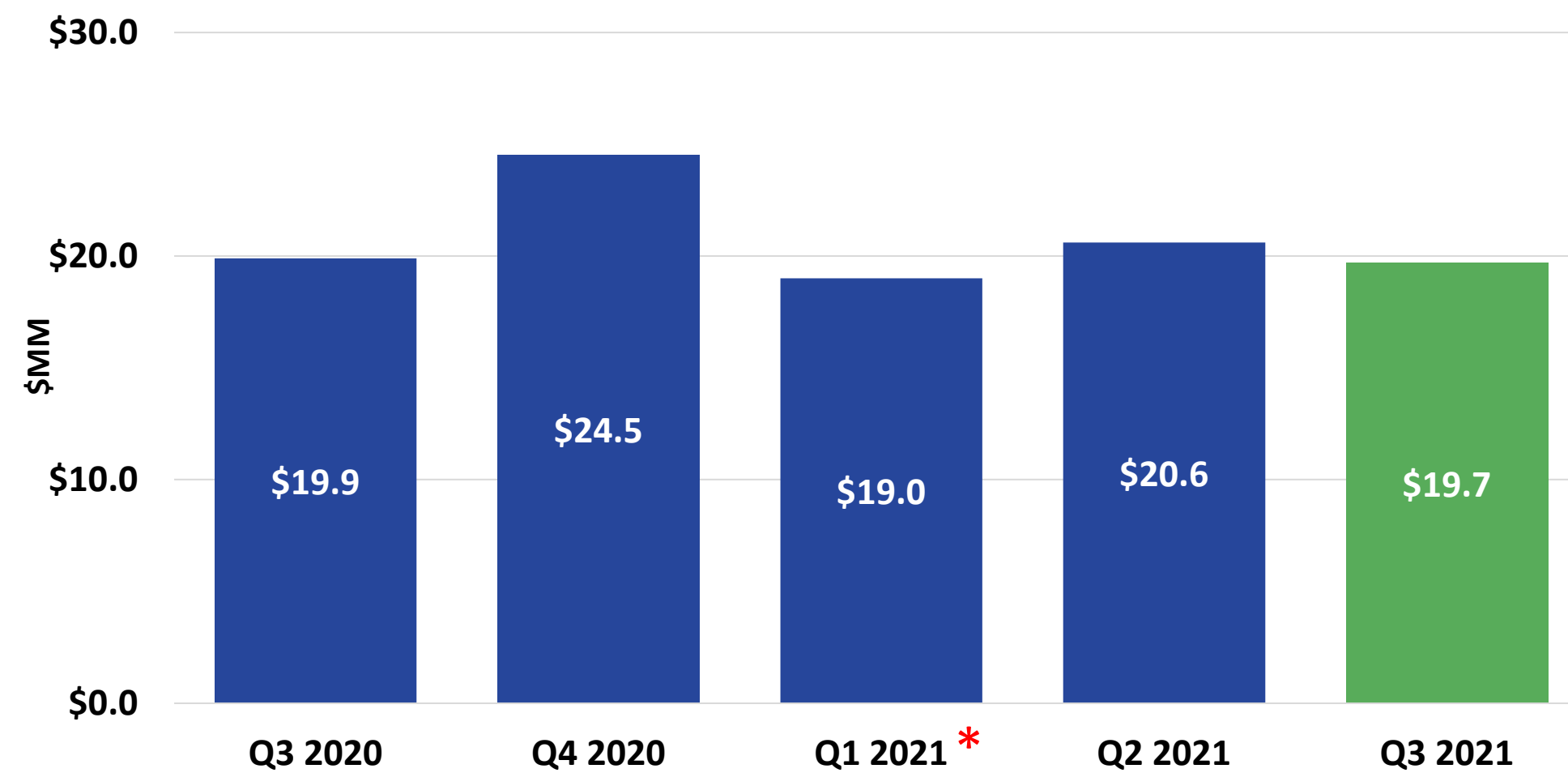
Net Sales



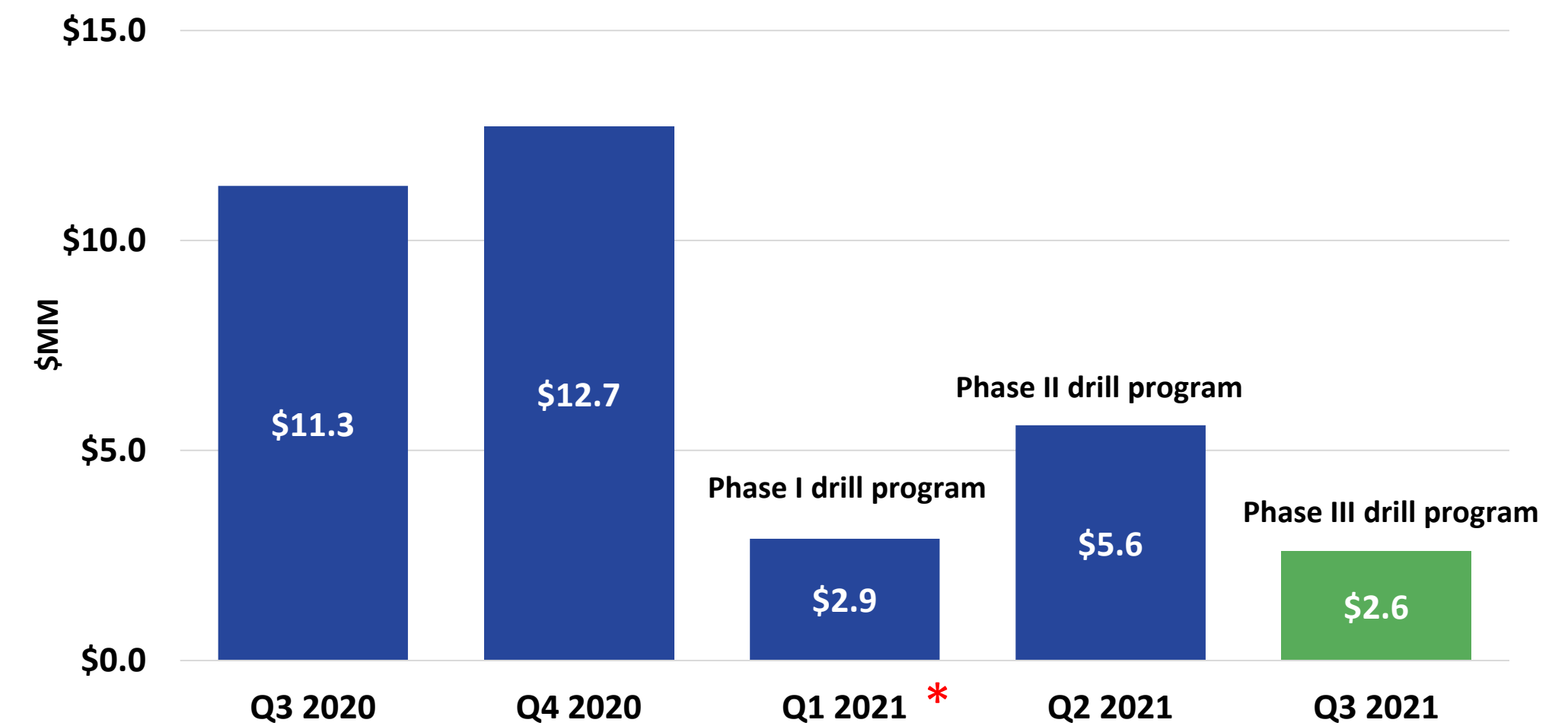
LOE¹ and Cash G&A



Adjusted EBITDA²



Free Cash Flow²



1) LOE excludes gathering, transportation and processing costs
 2) Adjusted EBITDA and Free Cash Flow are Non-GAAP financial measures and reconciled in Ring's earnings releases

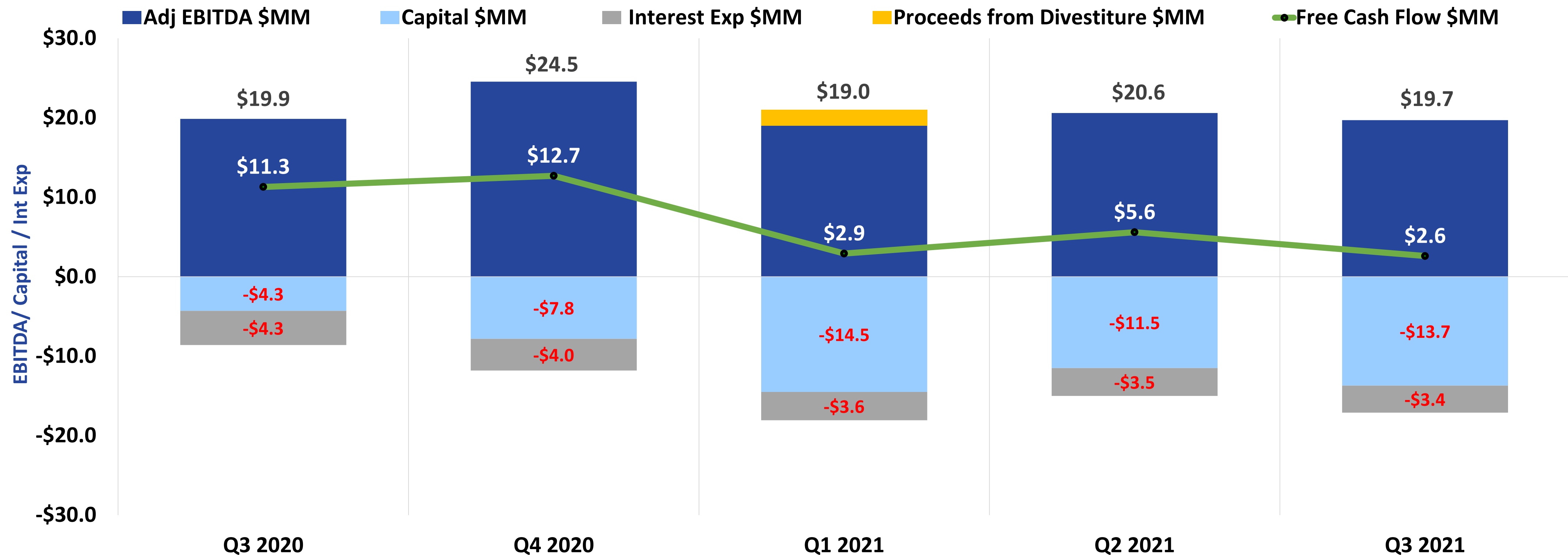


Historical Metrics

Quarterly Analysis of FCF¹

\$MM	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Adj EBITDA ¹	\$19.9	\$24.5	\$19.0	\$20.6	\$19.7
Capital	-\$4.3	-\$7.8	-\$14.5	-\$11.5	-\$13.7
Interest Exp. ²	-\$4.3	-\$4.0	-\$3.6	-\$3.5	-\$3.4
Proceeds from Divestiture			\$2.0		
Free Cash Flow¹	\$11.3	\$12.7	\$2.9	\$5.6	\$2.6

- Disciplined capital spending
- Prioritizing FCF generation
- Unrelenting goal to strengthen the balance sheet

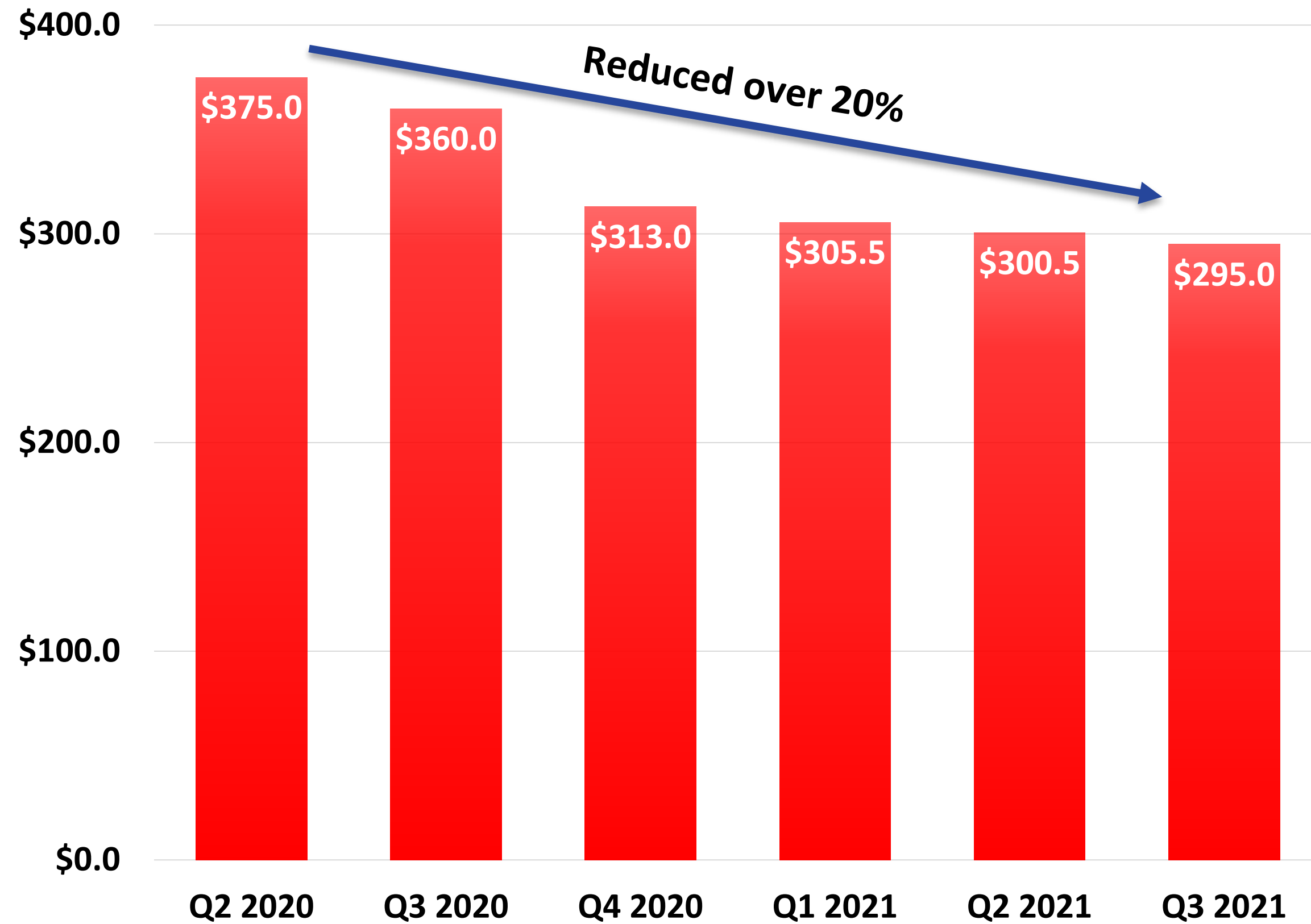




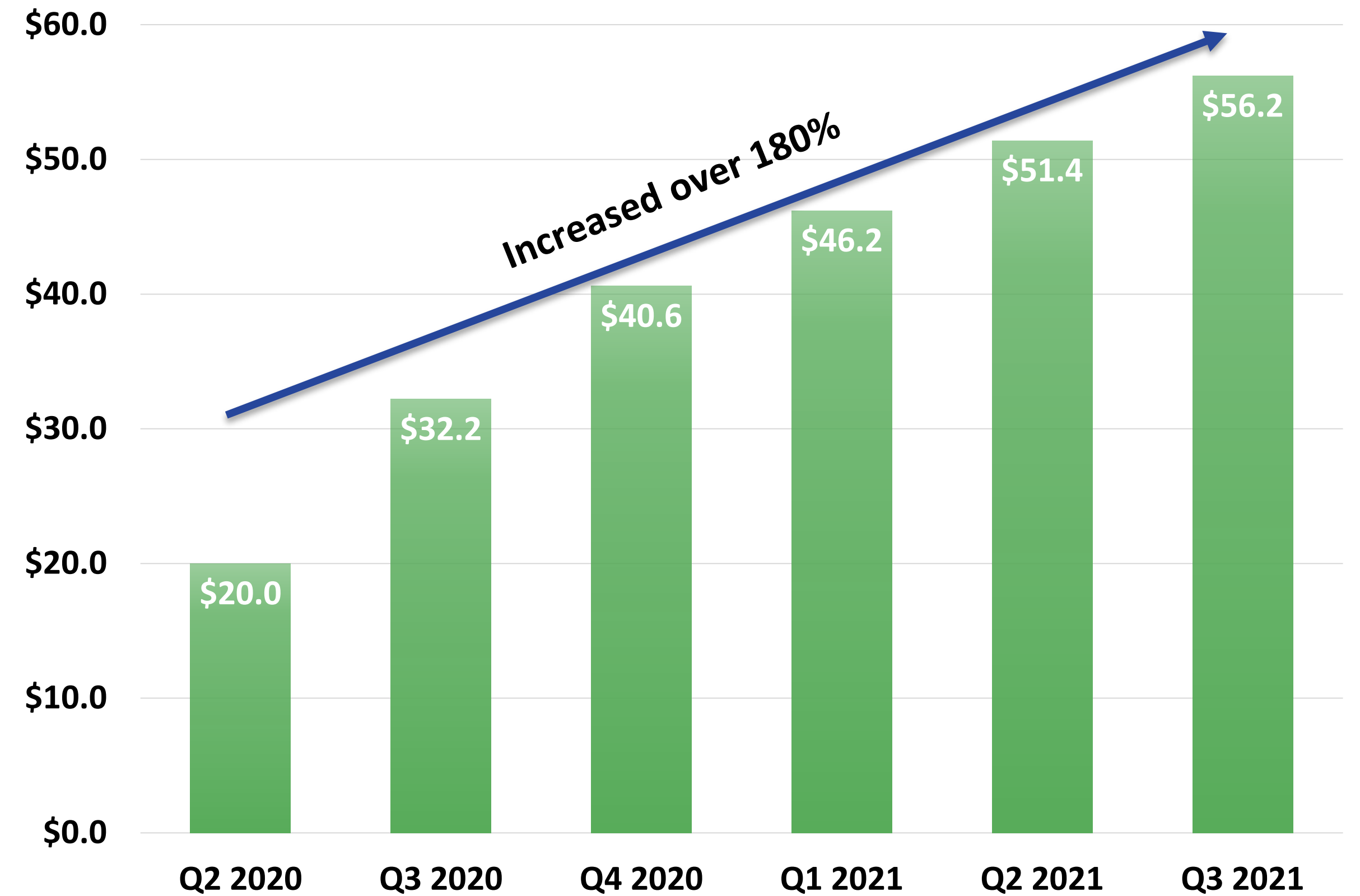
Continued FCF Generation is Key

Pays Down Debt and Improves Balance Sheet

RBL Balance



Liquidity





Committed to ESG

Foundational Cornerstone of Our Culture

Environmental



- Reducing our environmental impact, including GHG emissions, flaring and water management
- Sustainably extracting value by evaluating the economic and environmental aspects of each development opportunity

Social



- Providing a safe work environment and corporate culture that promotes the health and well-being of all employees
- Investing in our workforce, the communities in which we operate, and future generations through social responsibility

Governance



- Committed to practicing sound corporate governance
- We recognize the importance of providing transparency on ESG-related matters
- Significantly improved ISS governance rating in 2021

Conducting a Robust Review Process to Deliver Ring's 1st ESG Report in 2021

Fresh Prospective

Proven Strategy

Building a Sustainable Corporate Culture

Operate Efficiently and Effectively

Highly Profitable Development Drilling

Generate FCF and Strengthen Balance Sheet

Evaluate Accretive Acquisition Opportunities



Appendix

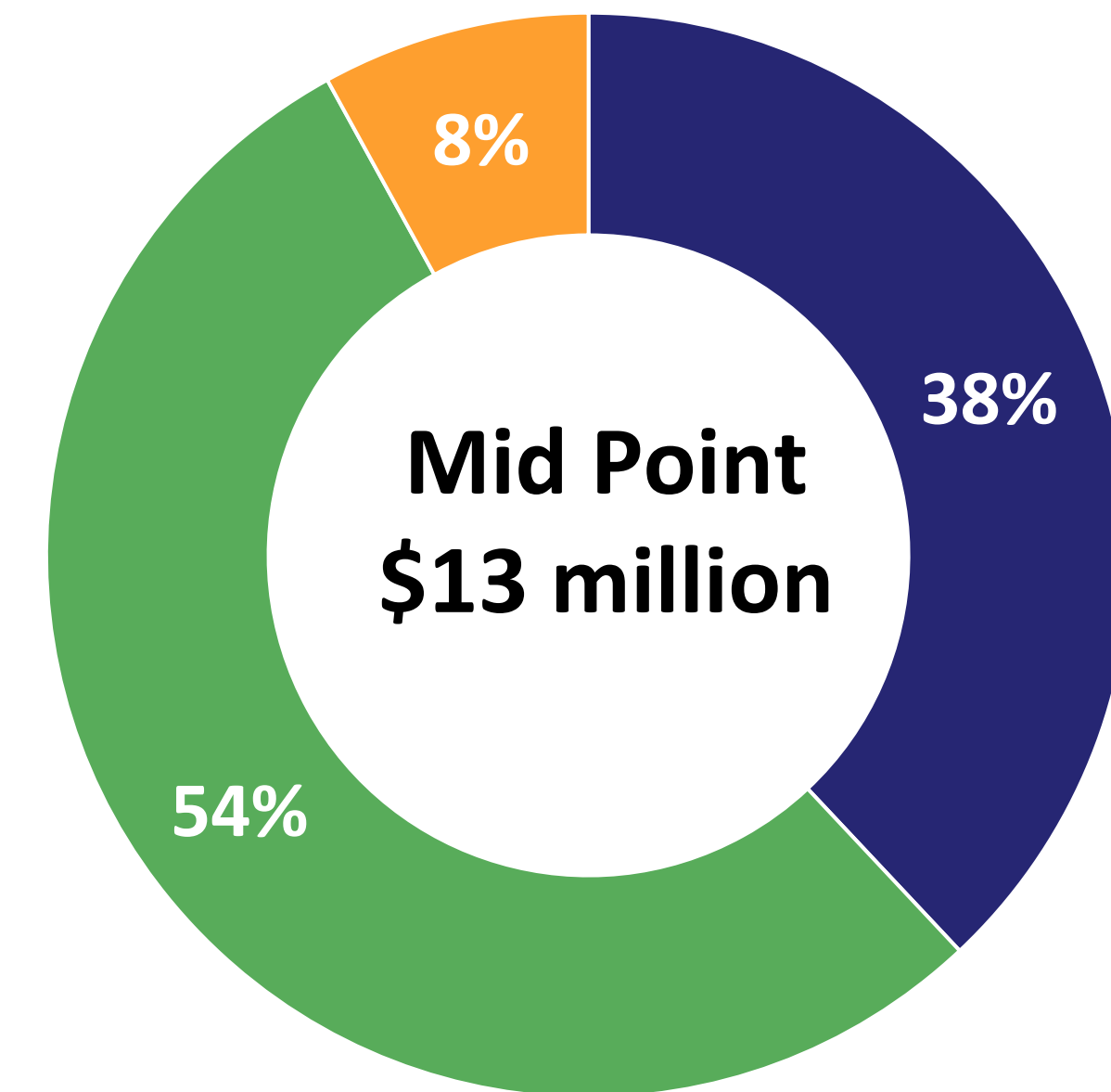


Q4 2021 Guidance

Maintain Production, Generate FCF, Pay Down Debt

Sales Volumes	Q4 2021
Total (Boe/d)	8,800 – 9,200
Oil (Bo/d)	7,500 – 7,900
Operating Expenses (per Boe)	Q4 2021
Lifting Cost ¹	\$10.50 - \$11.50
Capital Spending (\$ in millions)	Q4 2021
Number of new wells drilled	2
Number of new wells completed	2
Capital Spending	\$11 - \$15

CAPEX Allocation



■ D&C ■ CTRs/Recomp/Cap Workovers ■ Land/Other



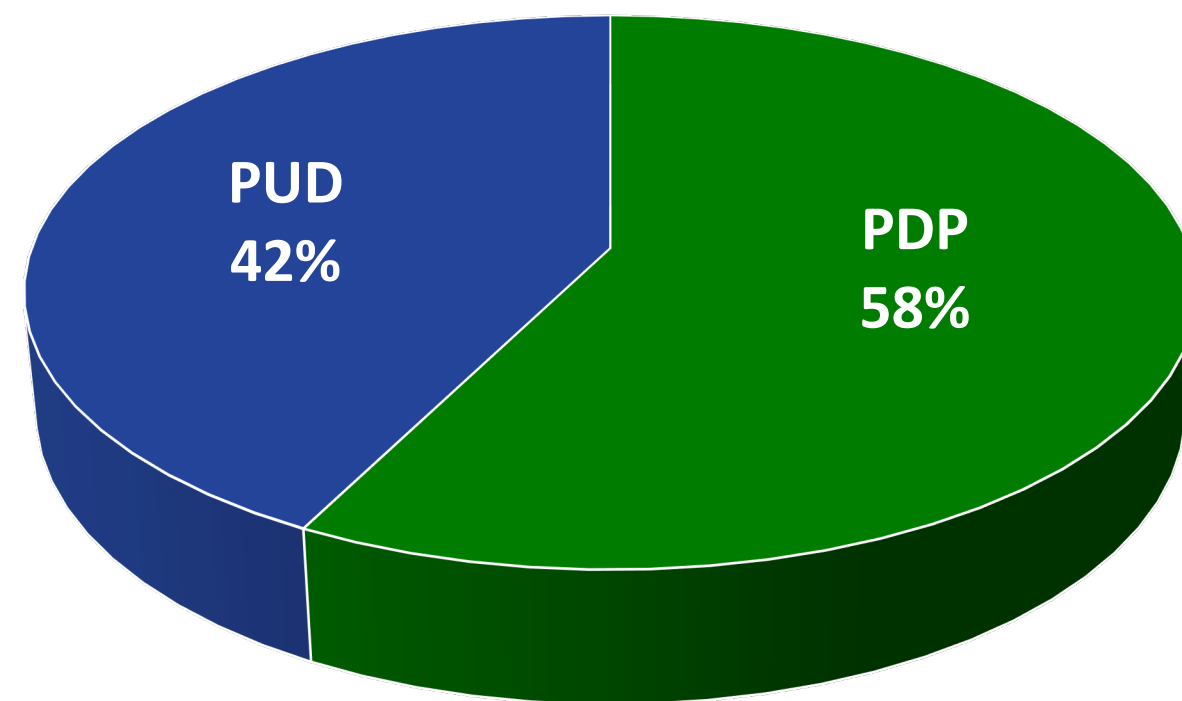
SEC Proved Reserves¹

Year-End 2020

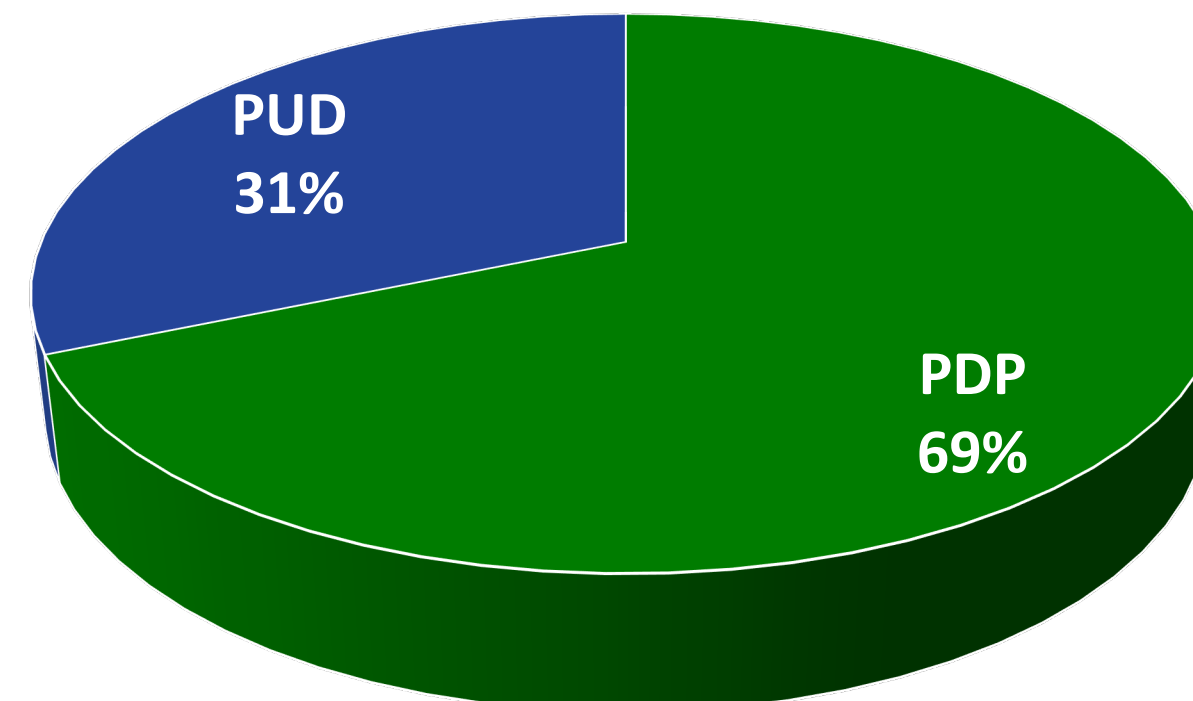
1P Summary	Reserve Category	Net Oil, MBbl	Net Gas, MMcf	Net MBOE	Net Capex, \$MM	PV-10, \$MM
	PD	38,261	34,336	43,983	\$25	\$438
	PUD	28,004	26,970	32,499	\$219	\$200
	TOTAL	66,264	61,305	76,482	\$244	\$638

2020 SEC Pricing	
Oil/\$Bbl	Gas \$/Mmbtu
\$36.04	\$1.985

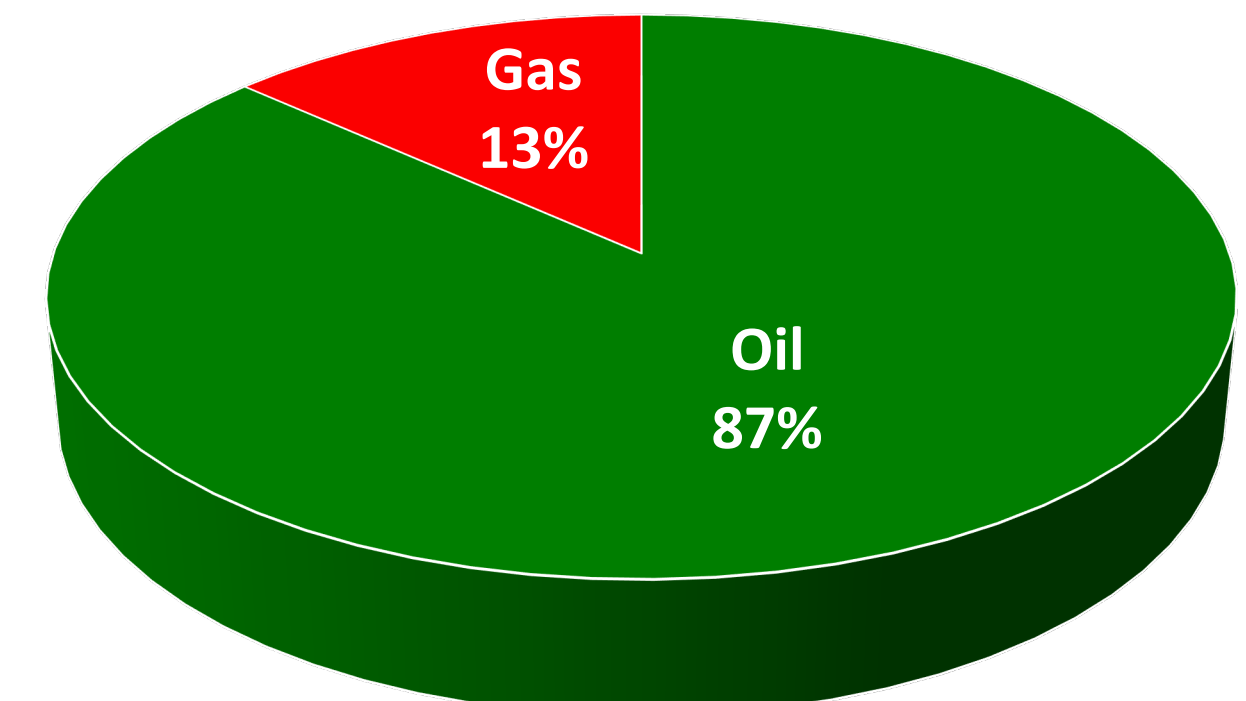
Reserves by Category (%)



Reserves by PV10 (\$MM)



Reserves by Product

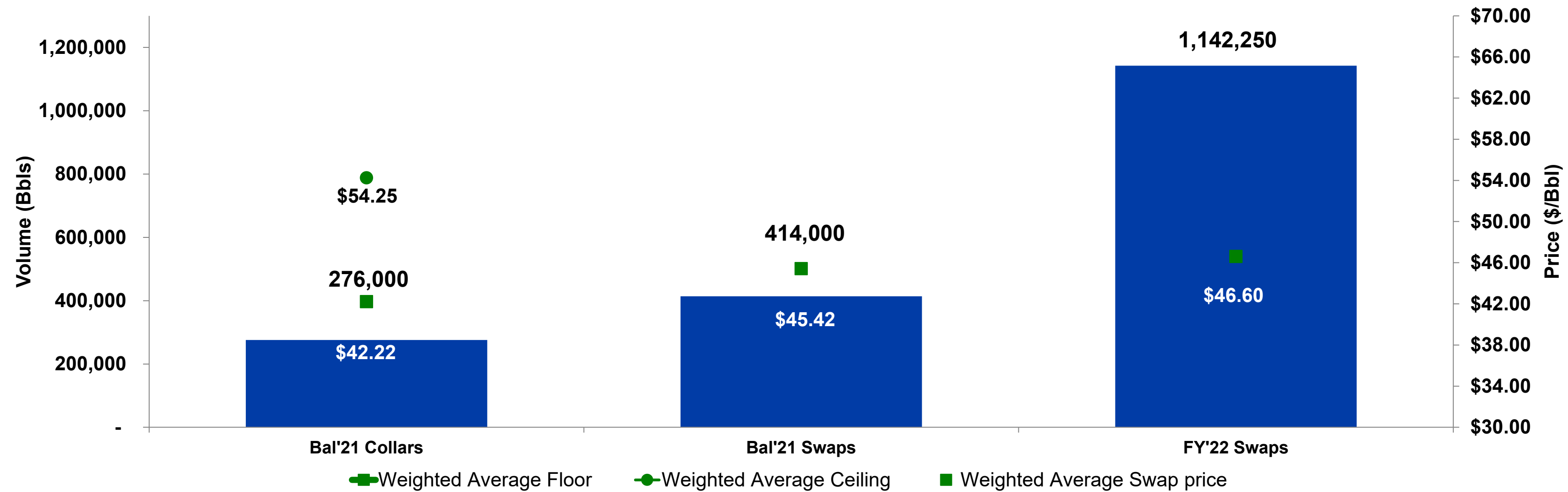




Financial Overview

Oil Hedges as of 10/1/2021

Summary of Crude Oil Hedges



Commodity	Effective Date	End Date	Structure	Daily Volume (Bbls/d)	Total Volume (Bbls)	Weighted Avg. Swap Price (per Bbl)	Weighted Avg. Put/Floor Price (per Bbl)	Weighted Avg. Call/Ceiling Price (per Bbl)
WTI - Crude	10/1/21	12/31/21	Collar	1,000	92,000		\$45.00	\$54.75
WTI - Crude	10/1/21	12/31/21	Collar	1,000	92,000		\$45.00	\$52.71
WTI - Crude	10/1/21	12/31/21	Collar	1,000	92,000		\$40.00	\$55.08
WTI - Crude	10/1/21	12/31/21	Put/Floor	1,500	138,000		\$40.00	
WTI - Crude	10/1/21	12/31/21	Swap	4,500	414,000	\$45.42		
WTI - Crude	1/1/22	12/31/22	Swap	3,129	1,142,250	\$46.60		



Income Statement and Operational Stats

Income Statement

	(Unaudited) Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2021	2021	2020	2021	2020
Oil and Natural Gas Revenues	\$ 49,376,176	\$ 47,760,102	\$ 31,466,544	\$ 136,638,810	\$ 81,673,465
Costs and Operating Expenses					
Lease operating expenses	6,983,196	7,424,488	7,819,639	22,634,259	21,887,356
Gathering, transportation and processing costs	1,051,163	897,166	1,058,372	2,883,348	2,833,957
Ad valorem taxes	703,774	703,775	800,000	2,144,800	2,407,455
Oil and natural gas production taxes	2,240,759	2,198,339	1,427,041	6,291,860	3,731,046
Depreciation, depletion and amortization	9,310,524	9,275,126	10,826,989	26,693,808	31,848,093
Ceiling test impairment	-	-	-	-	147,937,943
Asset retirement obligation accretion	182,905	184,013	230,784	560,662	694,113
Operating lease expense	83,589	84,790	295,631	439,896	876,889
General and administrative expense (including share-based compensation)	4,433,251	3,757,152	2,496,927	11,103,394	9,709,431
Total Costs and Operating Expenses	24,989,161	24,524,849	24,955,383	72,752,027	221,926,283
Income (Loss) from Operations	24,387,015	23,235,253	6,511,161	63,886,783	(140,252,818)
Other Income (Expense)					
Interest income	-	1	1	1	7
Interest (expense)	(3,551,462)	(3,654,529)	(4,457,250)	(10,947,960)	(12,958,788)
(Loss) gain on derivative contracts	(6,720,320)	(35,277,240)	(4,502,080)	(73,586,199)	32,900,767
Net Other Income (Expense)	(10,271,782)	(38,931,768)	(8,959,329)	(84,534,158)	19,941,986)
(Loss) Income Before Tax Provision	14,115,233	(15,696,515)	(2,448,168)	(20,647,375)	(120,310,832)
Benefit from (Provision for) Income Taxes	48,701	(190,644)	486,565	(141,943)	27,153,281
Net (Loss) Income	\$ 14,163,934	\$ (15,887,159)	\$ (1,961,603)	\$ (20,789,318)	\$ (93,157,551)
Basic (Loss) Earnings per Share	\$ 0.14	\$ (0.16)	\$ (0.03)	\$ (0.21)	\$ (1.37)
Diluted (Loss) Earnings per Share	\$ 0.12	\$ (0.16)	\$ (0.03)	\$ (0.21)	\$ (1.37)
Basic Weighted-Average Shares Outstanding	99,358,504	99,300,458	67,980,961	99,251,532	67,985,168
Diluted Weighted-Average Shares Outstanding	121,220,748	99,300,458	67,980,961	99,251,532	67,985,168

Operational Stats

	(Unaudited) Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2021	2021	2020	2021	2020
Net sales volumes:					
Oil (Bbls)	659,247	702,408	781,626	1,971,776	2,066,980
Natural gas (Mcf)	594,841	540,857	581,123	1,773,506	1,764,165
Total oil and natural gas (Boe) ⁽¹⁾	758,387	792,551	878,480	2,267,360	2,361,008
<i>% Oil</i>	<i>87%</i>	<i>89%</i>	<i>89%</i>	<i>87%</i>	<i>88%</i>
Average daily equivalent sales (Boe/d)	8,243	8,709	9,549	8,305	8,617
Average realized sales prices:					
Oil (\$/Bbl)	\$ 69.61	\$ 65.00	\$ 38.80	\$ 64.37	\$ 38.40
Natural gas (\$/Mcf)	5.86	3.90	1.96	5.48	1.30
Barrel of oil equivalent (\$/Boe)	\$ 65.11	\$ 60.26	\$ 35.82	\$ 60.26	\$ 34.59
Average costs and expenses per Boe (\$/Boe):					
Lease operating expenses	\$ 9.21	\$ 9.37	\$ 8.90	\$ 9.98	\$ 9.27
Gathering, transportation and processing costs	1.39	1.13	1.20	1.27	1.20
Ad valorem taxes	0.93	0.89	0.91	0.95	1.02
Oil and natural gas production taxes	2.95	2.77	1.62	2.77	1.58
Depreciation, depletion and amortization	12.28	11.70	12.32	11.77	13.49
Asset retirement obligation accretion	0.24	0.23	0.26	0.25	0.29
Operating lease expense	0.11	0.11	0.34	0.19	0.37
General and administrative expense (including share-based compensation)	5.85	4.74	2.84	4.90	4.11
General and administrative expense (excluding share-based compensation)	4.82	4.30	2.20	4.24	3.03

(1) Boe is determined using the ratio of six Mcf of natural gas to one Bbl of oil (totals may not compute due to rounding). The conversion ratio does not assume price equivalency and the price on an equivalent basis for oil and natural gas may differ significantly.



Balance Sheet and Cash Flow Statement

Balance Sheet

	(Unaudited) September 30, 2021	December 31, 2020
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,046,946	\$ 3,578,634
Accounts receivable	20,306,264	14,997,979
Joint interest billing receivable	1,672,334	1,327,262
Derivative receivable	-	499,906
Prepaid expenses and retainers	1,298,801	396,109
Total Current Assets	25,324,345	20,799,890
Properties and Equipment		
Oil and natural gas properties, full cost method	872,258,987	836,514,815
Financing lease asset subject to depreciation	1,422,487	858,513
Fixed assets subject to depreciation	2,130,523	1,520,890
Total Properties and Equipment	875,811,997	838,894,218
Accumulated depreciation, depletion and amortization	(225,744,692)	(200,111,658)
Net Properties and Equipment	650,067,305	638,782,560
Operating lease asset	1,344,378	1,494,399
Deferred financing costs	1,882,815	2,379,348
TOTAL ASSETS	\$ 678,618,843	\$ 663,456,197
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 45,259,500	\$ 32,500,081
Financing lease liability	385,866	295,311
Operating lease liability	268,512	859,017
Derivative liabilities	38,402,944	3,287,328
Notes payable	857,151	-
Total Current Liabilities	85,173,973	36,941,737
Deferred income taxes	141,943	-
Revolving line of credit	295,000,000	313,000,000
Financing lease liability, less current portion	393,340	126,857
Operating lease liability, less current portion	1,212,239	635,382
Derivative liabilities	6,061,724	869,273
Asset retirement obligations	14,998,130	17,117,135
Total Liabilities	402,981,349	368,690,384
Stockholders' Equity		
Preferred stock - \$0.001 par value; 50,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock - \$0.001 par value; 150,000,000 shares authorized; 99,359,938 shares and 85,568,287 shares issued and outstanding, respectively	99,360	85,568
Additional paid-in capital	552,598,622	550,951,415
Accumulated deficit	(277,060,488)	(256,271,170)
Total Stockholders' Equity	275,637,494	294,765,813
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 678,618,843	\$ 663,456,197

Cash Flow Statement

	(Unaudited) Three Months Ended			Nine Months Ended	
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Cash Flows From Operating Activities					
Net (loss) income	\$ 14,163,934	\$ (15,887,159)	\$ (1,961,603)	\$ (20,789,318)	\$ (93,157,551)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:					
Depreciation, depletion and amortization	9,310,524	9,275,126	10,826,989	26,693,808	31,848,093
Ceiling test impairment	-	-	-	-	147,937,943
Accretion expense	182,905	184,013	230,784	560,662	694,113
Amortization of deferred financing costs	166,282	147,224	189,083	496,533	567,248
Share-based compensation	777,461	351,775	565,819	1,484,730	2,557,156
Deferred income tax (benefit) expense	1,886,118	47,967	(525,218)	141,943	(25,573,920)
Excess tax expense (benefit) related to share-based compensation	(1,934,819)	142,677	38,653	-	(1,579,361)
(Gain) loss on derivative contracts	6,720,320	35,277,240	4,502,080	73,586,199	(32,900,767)
Cash (paid) received for derivative settlements, net	(14,921,008)	(12,436,333)	1,726,373	(33,278,132)	18,814,068
Changes in assets and liabilities:					
Accounts receivable	1,656,229	(704,568)	(5,678,392)	(5,017,078)	9,867,026
Prepaid expenses and retainers	278,870	(1,346,762)	85,785	(902,692)	3,483,645
Accounts payable	(329,555)	2,365,612	4,824,895	8,329,563	(17,225,782)
Settlement of asset retirement obligation	(444,502)	(1,093,816)	(108,025)	(1,782,779)	(428,605)
Net Cash Provided by Operating Activities	17,512,759	16,322,996	14,717,223	49,523,439	44,903,306
Cash Flows From Investing Activities					
Payments to purchase oil and natural gas properties	(141,468)	(178,718)	(171,999)	(579,156)	(1,189,433)
Payments to develop oil and natural gas properties	(11,957,917)	(10,824,079)	(3,283,558)	(34,680,935)	(33,586,337)
Payments to acquire or improve fixed assets	(548,730)	(41,442)	-	(609,633)	-
Proceeds from divestiture of oil and natural gas properties	-	-	4,500,000	2,000,000	4,500,000
Net Cash Used in Investing Activities	(12,648,115)	(11,044,239)	1,044,443	(33,869,724)	(30,275,770)
Cash Flows From Financing Activities					
Proceeds from revolving line of credit	14,500,000	6,900,000	-	34,400,000	21,500,000
Payments on revolving line of credit	(20,000,000)	(11,900,000)	(15,000,000)	(52,400,000)	(28,000,000)
Proceeds from issuance of common stock and warrants	-	80,000	-	241,269	-
Proceeds from notes payable	323,671	909,467	-	1,233,138	-
Payments on notes payable	(224,670)	(151,317)	-	(375,987)	-
Payment of deferred financing costs	-	(76,887)	-	(76,887)	-
Reduction of financing lease liabilities	(86,941)	(70,288)	(70,629)	(206,936)	(211,341)
Net Cash Used in (Provided by) Investing Activities	(5,487,940)	(4,309,025)	(15,070,629)	(17,185,403)	(6,711,341)
Net Change in Cash	(623,296)	969,732	691,037	(1,531,688)	7,916,195
Cash at Beginning of Period	2,670,242	1,700,510	17,229,780	3,578,634	10,004,622
Cash at End of Period	\$ 2,046,946	\$ 2,670,242	\$ 17,920,817	\$ 2,046,946	\$ 17,920,817



Non-GAAP Information

Certain financial information included in Ring's financial results are not measures of financial performance recognized by accounting principles generally accepted in the United States, or GAAP. These non-GAAP financial measures are "Adjusted Net Income", "Adjusted EBITDA", "Free Cash Flow" and "Cash Flow from Operations". Management uses these non-GAAP financial measures in its analysis of performance. In addition, Adjusted EBITDA is a key metric used to determine the Company's incentive compensation awards. These disclosures may not be viewed as a substitute for results determined in accordance with GAAP and are not necessarily comparable to non-GAAP performance measures which may be reported by other companies.

Adjusted Net Income does not include the estimated after-tax impact of share-based compensation, ceiling test impairment, and unrealized loss (gain) on change in fair value of derivatives, as well as an add back of the full valuation against the Company's deferred tax assets during the fourth quarter of 2020. Adjusted Net Income is presented because the timing and amount of these items cannot be reasonably estimated and affect the comparability of operating results from period to period, and current periods to prior periods.

The Company also presents the non-GAAP financial measures Adjusted EBITDA and Free Cash Flow. The Company defines Adjusted EBITDA as net (loss) income plus net interest expense, unrealized loss on change in fair value of derivatives, ceiling test impairment, income tax (benefit) expense, depreciation, depletion and amortization and accretion, asset retirement obligation accretion and share-based compensation. Company management believes this presentation is relevant and useful because it helps investors understand Ring's operating performance and makes it easier to compare its results with those of other companies that have different financing, capital and tax structures. Adjusted EBITDA should not be considered in isolation from or as a substitute for net income, as an indication of operating performance or cash flows from operating activities or as a measure of liquidity. Adjusted EBITDA, as Ring calculates it, may not be comparable to Adjusted EBITDA measures reported by other companies. In addition, Adjusted EBITDA does not represent funds available for discretionary use.

The Company defines Free Cash Flow as Adjusted EBITDA (defined above) less net interest expense (excluding amortization of deferred financing cost) and capital expenditures. For this purpose, the Company's definition of capital expenditures includes costs incurred related to oil and natural gas properties (such as drilling and infrastructure costs and the lease maintenance costs) and equipment, furniture and fixtures, but excludes acquisition costs of oil and gas properties from third parties that are not included in the Company's capital expenditures guidance provided to investors. Company management believes that Free Cash Flow is an important financial performance measure for use in evaluating the performance and efficiency of its current operating activities after the impact of accrued capital expenditures and net interest expense and without being impacted by items such as changes associated with working capital, which can vary substantially from one period to another. There is no commonly accepted definition Free Cash Flow within the industry. Accordingly, Free Cash Flow, as defined and calculated by the Company, may not be comparable to Free Cash Flow or other similarly named non-GAAP measures reported by other companies. While the Company includes net interest expense in the calculation of Free Cash Flow, other mandatory debt service requirements of future payments of principal at maturity (if such debt is not refinanced) are excluded from the calculation of Free Cash Flow. These and other non-discretionary expenditures that are not deducted from Free Cash Flow would reduce cash available for other uses.



Non-GAAP Reconciliations

Adjusted Net Income

	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2021	2021	2020	2021	2020
	(Unaudited for All Periods)				
Net (Loss) Income	\$ 14,163,934	\$ (15,887,159)	\$ (1,961,603)	\$ (20,789,318)	\$ (93,157,551)
Share-based compensation	777,461	351,775	565,819	1,484,730	2,557,156
Ceiling test write impairment	-	-	-	-	147,937,943
Unrealized loss (gain) on change in fair value of derivatives	(8,200,688)	22,840,907	6,228,453	40,308,067	(14,086,699)
Tax impact of adjusted items	25,612	(281,690)	(1,446,501)	(256,078)	(29,041,348)
Adjusted Net Income	<u>\$ 6,766,319</u>	<u>\$ 7,023,833</u>	<u>\$ 3,386,168</u>	<u>\$ 20,747,401</u>	<u>\$ 14,209,501</u>
Weighted-Average Shares Outstanding	99,358,504	99,300,458	67,980,961	99,251,532	67,985,168
Adjusted Net Income per Share	<u>\$ 0.07</u>	<u>\$ 0.07</u>	<u>\$ 0.05</u>	<u>\$ 0.21</u>	<u>\$ 0.21</u>

Adjusted EBITDA

	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2021	2021	2020	2021	2020
	(Unaudited for All Periods)				
Net (Loss) Income	\$ 14,163,934	\$ (15,887,159)	\$ (1,961,603)	\$ (20,789,318)	\$ (93,157,551)
Interest expense, net	3,551,462	3,654,528	4,457,249	10,947,959	12,958,781
Unrealized loss (gain) on change in fair value of derivatives	(8,200,688)	22,840,907	6,228,453	40,308,067	(14,086,699)
Ceiling test impairment	-	-	-	-	147,937,943
Income tax (benefit) expense	(48,701)	190,644	(486,565)	141,943	(27,153,281)
Depreciation, depletion and amortization	9,310,524	9,275,126	10,826,989	26,693,808	31,848,093
Asset retirement obligation accretion	182,905	184,013	230,784	560,662	694,113
Share-based compensation	777,461	351,775	565,819	1,484,730	2,557,156
Adjusted EBITDA	<u>\$ 19,736,897</u>	<u>\$ 20,609,834</u>	<u>\$ 19,861,126</u>	<u>\$ 59,347,851</u>	<u>\$ 61,598,555</u>
Adjusted EBITDA Margin	40%	43%	63%	43%	75%
Weighted-Average Shares Outstanding	99,358,504	99,300,458	67,980,961	99,251,532	67,985,168
Adjusted EBITDA per Share	<u>\$ 0.20</u>	<u>\$ 0.21</u>	<u>\$ 0.29</u>	<u>\$ 0.60</u>	<u>\$ 0.91</u>

Free Cash Flow

	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2021	2021	2020	2021	2020
	(Unaudited for All Periods)				
Adjusted EBITDA	\$ 19,736,897	\$ 20,609,834	\$ 19,861,126	\$ 59,347,851	\$ 61,598,555
Net interest expense (excluding amortization of deferred financing costs)	(3,385,180)	(3,507,304)	(4,268,166)	(10,451,426)	(12,391,533)
Capital expenditures	(13,720,336)	(11,456,062)	(4,305,557)	(39,701,834)	(22,102,385)
Proceeds from divestiture of oil and natural gas properties	-	-	-	2,000,000	-
Free Cash Flow	<u>\$ 2,631,381</u>	<u>\$ 5,646,468</u>	<u>\$ 11,287,403</u>	<u>\$ 11,194,591</u>	<u>\$ 27,104,637</u>

Cash Flow From Operations

	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2021	2021	2020	2021	2020
	(Unaudited for All Periods)				
Net Cash Provided by Operating Activities	\$ 17,512,759	\$ 16,322,996	\$ 14,717,223	\$ 49,523,439	\$ 44,903,306
Changes in operating assets and liabilities	(1,161,042)	779,534	875,737	(627,014)	4,303,716
Cash Flow from Operations	<u>\$ 16,351,717</u>	<u>\$ 17,102,530</u>	<u>\$ 15,592,960</u>	<u>\$ 48,896,425</u>	<u>\$ 49,207,022</u>



Experienced Management Team

Shared Vision with a Track Record of Success



Paul D. McKinney
Chairman & Chief Executive Officer

35+ years of domestic & international oil & gas industry experience

Executive & board roles include CEO, President, COO, Region VP and public & private board directorships



Alexander Dyes
EVP of Engineering & Corporate Strategy

14+ years of oil & gas industry experience

Multi-disciplined experience including VP A&D, VP Engineering, Director Strategy, multiple engineering & operational roles



Marinos Baghdati
EVP of Operations

18+ years of oil & gas industry experience

Operational experience in drilling, completions and production including VP Operations, Operations manager, multiple engineering roles



Stephen D. Brooks
EVP of Land, Legal, HR & Marketing

40+ years of oil & gas industry experience

Extensive career as landman including VP Land & Legal, VP HR VP Land and Land Manager



Travis Thomas
EVP & Chief Financial Officer

16+ years of oil & gas industry experience & accounting experience

High level financial experience including CAO, VP Finance, Controller, Treasurer



Hollie Lamb
VP of Compliance & GM of Midland Office

20+ years of oil & gas industry experience

Previously Partner of HeLMS Oil & Gas, VP Engineering, Reservoir & Geologic Engineer





Refreshed Board of Directors

Accomplished and Diversified Experience



Paul D. McKinney
Chairman & Chief Executive Officer

35+ years of domestic & international oil & gas industry experience

Executive & board roles include CEO, President, COO, Region VP and public & private board directorships



Anthony D. Petrelli
Lead Independent Director

43+ years of banking, capital markets, governance & financial experience

Executive and Board positions include CEO, President, multiple board chairs & directorships



John A. Crum
Independent Director

45+ years of domestic & international oil & gas industry experience

Extensive executive roles including CEO, President & COO, and multiple public & private board chairs & directorships



Richard E. Harris
Independent Director

40+ years of experience across multiple industries

Executive positions in oil & gas, industrial equipment, and technology including CIO, Treasurer, Finance and Business Development



Thomas L. Mitchell
Independent Director

35+ years of domestic & international oil & gas industry experience

Executive & board roles include CFO, VP Accounting, Controller and public & private board directorships



Regina Roesener
Independent Director

35+ years of banking, capital markets, governance & financial experience

Executive and Board positions including COO, director and Board Director positions



Clayton E. Woodrum
Independent Director

50+ years of accounting, tax & finance experience

Wide range of financial acumen including positions as CFO, Partner in Charge and Board Director positions



WOODRUM, TATE & ASSOCIATES, L.P.



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