



## 2021 Annual Stockholder Meeting Proxy Discussion

June 29, 2021

**CORR**  
**LISTED**  
**NYSE**

# Proxy Information

## Additional Information and Where to Find It

The issuance of CorEnergy common stock upon conversion of CorEnergy preferred stock in connection with the Crimson Transaction as described in this presentation (the “Stock Issuance”) and the Internalization will be submitted to the stockholders of CorEnergy for their consideration. In connection with the Stock Issuance and Internalization, CorEnergy has filed a proxy statement and other documents with the SEC. INVESTORS AND COREENERGY STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT (INCLUDING ALL AMENDMENTS AND SUPPLEMENTS THERETO) REGARDING THE STOCK ISSUANCE AND INTERNALIZATION AND OTHER DOCUMENTS RELATING TO THE TRANSACTIONS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE STOCK ISSUANCE AND INTERNALIZATION. The proxy statement and other relevant documents (when they become available), and any other documents filed by CorEnergy with the SEC may be obtained free of charge at the SEC’s website at [www.sec.gov](http://www.sec.gov). In addition, stockholders may obtain free copies of the documents filed with the SEC by CorEnergy through its website at [corenergy.reit](http://corenergy.reit). The information on CorEnergy’s website is not, and shall not be deemed to be a part hereof or incorporated into this or any other filings with the SEC.

You may also request them in writing, by telephone or via the Internet at: CorEnergy Infrastructure Trust, Inc., Investor Relations, 877-699-CORR (2677), [info@corenergy.reit](mailto:info@corenergy.reit).

## Participants in the Solicitation

CorEnergy, the Manager and their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies from CorEnergy’s stockholders in respect of the Stock Issuance and Internalization. Information about CorEnergy’s directors and executive officers is available in CorEnergy’s definitive proxy statement, prepared in connection with CorEnergy’s 2021 annual meeting of stockholders, which also contains other information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies from CorEnergy’s stockholders in connection with the Stock Issuance and Internalization, including a description of their direct or indirect interests, by security holdings or otherwise, in CorEnergy. You can obtain free copies of these documents, which are filed with the SEC, from CorEnergy using the contact information above.

# Disclaimer

## Forward Looking Statements

This presentation contains certain statements that may include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included herein are "forward-looking statements." Although CorEnergy believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including, among others, failure to realize the anticipated benefits of the Crimson Transaction or Internalization (as further described in this presentation); the risk that CPUC approval is not obtained, is delayed or is subject to unanticipated conditions that could adversely affect CorEnergy or the expected benefits of the Crimson Transaction, risks related to the uncertainty of the projected financial information with respect to Crimson, the failure to receive the required approvals by existing CorEnergy stockholders; the risk that a condition to the closing of the Internalization may not be satisfied, CorEnergy's ability to consummate the Internalization, and those factors discussed in CorEnergy's reports that are filed with the Securities and Exchange Commission. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Other than as required by law, CorEnergy does not assume a duty to update any forward-looking statement. In particular, any distribution paid in the future to our stockholders will depend on the actual performance of CorEnergy, its costs of leverage and other operating expenses and will be subject to the approval of CorEnergy's Board of Directors and compliance with leverage covenants.

## Non-GAAP Financial Measures

This document includes certain non-GAAP financial measures that are not prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and that may be different from non-GAAP financial measures used by other companies. CorEnergy believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating the Crimson Transaction. These non-GAAP measures should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP. Additionally, to the extent that forward-looking non-GAAP financial measures are provided, including EBITDA, they are presented on a non-GAAP basis without reconciliations of such forward-looking non-GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation.

## CorEnergy Annual Stockholder Meeting – June 29, 2021

- Common proxy matters on the ballot each year:
  - Item 1: Election of a director – David J. Schulte, Chairman of the Board
  - Item 4: Ratification of the public accounting firm – Ernst & Young LLP
- Stockholders are being asked to vote on 2 additional business items as part of the 2021 Annual Stockholder Meeting:
  - Item 2: To consider and vote upon the issuance of Class B Common Stock upon conversion of the Series B Preferred Stock pursuant to the terms of the Crimson Transaction;
  - Item 3: To consider and vote upon a Contribution Agreement and the transactions contemplated by the Contribution Agreement to internalize the Company's external manager, Corridor InfraTrust Management, LLC;
- The foregoing items of business and other voting matters are more fully described in the Company's Proxy Statement filed with the SEC and available at [www.corenergy.reit](http://www.corenergy.reit).

## Background for Proxy Items 2 and 3

### **Crimson Acquisition - \$343 million acquisition funded with:**

- \$74.6 million of cash on hand
- \$105.0 million in new term loan and revolver borrowings
- Contribution of the Grand Isle Gathering System (GIGS) to the sellers
- \$119.4 million of commitments to issue common and preferred equity (with a fair value equal to \$115.3 million):
  - \$17.2 million of new CORR Class B common shares at a share price of \$7.02 (90% of 30-day VWAP at close)
  - \$60.9 million of new 4.0% Series B convertible preferred equity, \$25.00 per share (Converts into Class B common at 3.56x ratio upon stockholder approval)
  - \$41.3 million of new 9.0% Series C exchangeable preferred equity, \$25.00 per share (Exchanges into Series A Preferred at \$23.50 per depository share under certain conditions)

### **Internalization of the REIT manager - \$16.9 million funded with:**

- \$8.1 million of common shares at a share price of \$7.02 (90% of 30-day VWAP)
- \$4.8 million of new CORR Class B common shares at a share price of \$7.02 (90% of 30-day VWAP)
- \$4.0 million of Series A preferred equity at \$23.50 per depository share

### **Class B Common features:**

- Dividend subordinated to common stock for up to 3 years
- Only receives dividends to the extent common dividend coverage is equal to or greater than 1.25x
- Dividends to the Class B, if any, are adjusted to maintain a 1.25x dividend coverage on Common plus Class B
- Maximum dividend equals common dividend
- Convertible 1:1 for common equity if converted prior to the 3-year mandatory conversion
- If not fully converted by year 3, conversion adjusted downward with a minimum ratio of 0.68:1.0

### **Class B converts to Common upon:**

- An increase in the common share dividend above a threshold
- An issuance of additional common shares other than for management compensation
- Payment of Class B common dividend equal to common share dividend for four consecutive quarters following the first anniversary of the transaction

## Key Proposal – Item 2

### To consider and vote upon the issuance of Class B Common Stock upon conversion of the Series B Preferred Stock pursuant to the terms of the Crimson Transaction

#### Background:

- CORR completed the Crimson transaction effective February 1, 2021 for total consideration of ~\$343 million
- As an NYSE Listed Company, stockholder approval is required prior to the issuance of common stock greater than 20% of the outstanding common stock before the issuance of such stock
- Assuming approval by the Company's stockholders, the Class A-2 Units of Crimson, which are currently convertible into Series B Preferred Stock, will be convertible into up to 8,675,214 shares of Class B Common Stock
- When eventually converted into shares of Common Stock of the Company, this would exceed 20% of our shares of Common Stock outstanding (13,651,521 shares of Common Stock outstanding prior to the transaction).

**The Board of Directors of the Company unanimously recommends stockholders of the Company vote “FOR” the issuance of Class B Common Stock upon conversion of the Series B Preferred Stock.**

# The Importance of Voting FOR Item 2

	March 31, 2021 Actual <sup>1</sup>	Prospective Adjustments <sup>2</sup>	Prospective for Non-Controlling Interest Reorg. and Internalization	Prospective Adjustments <sup>3</sup>	Prospective for Non-Controlling Interest Conversion
Cash and Cash Equivalents	\$ 18,839,994	\$ -	\$ 18,839,994	\$ -	\$ 18,839,994
<b>Debt</b>					
Revolving Credit Facility	25,000,000	-	25,000,000	-	25,000,000
Long-Term Debt (including current maturities) <sup>4</sup>	193,440,040	-	193,440,040	-	193,440,040
<b>Total Debt</b>	218,440,040	-	218,440,040	-	218,440,040
<b>Redeemable Equity</b>					
Redeemable Series C Preferred Stock	-	38,442,604	38,442,604	(38,442,604)	-
Redeemable Series B Preferred Stock	-	59,949,960	59,949,960	(59,949,960)	-
<b>Total Redeemable Equity</b>	-	98,392,564	98,392,564	(98,392,564)	-
<b>Stockholders' Equity</b>					
<u>Preferred Stock</u>					
Series A Preferred Stock	125,270,350	4,255,325	129,525,675	42,904,300	172,429,975
<b>Total</b>	125,270,350	4,255,325	129,525,675	42,904,300	172,429,975
<u>Common Stock</u>					
Common Stock	13,652	1,154	14,806	-	14,806
Class B Common Stock	-	3,134	3,134	8,675	11,809
Additional Paid-In Capital	336,750,132	32,635,906	369,386,038	59,937,054	429,323,092
Retained Deficit	(327,926,126)	-	(327,926,126)	-	(327,926,126)
<b>Total</b>	8,837,658	32,640,194	41,477,852	59,945,729	101,423,581
Non-controlling interest	116,928,344	(116,928,344)	-	-	-
<b>Total Stockholders' Equity</b>	\$ 251,036,352	\$ (80,032,825)	\$ 171,003,527	\$ 102,850,029	\$ 273,853,556
<b>Total Capitalization</b>	\$ 469,476,392		\$ 487,836,131		\$ 492,293,596
<b>Shares Outstanding<sup>5</sup></b>					
Common Stock	13,651,521	1,153,846	14,805,367	-	14,805,367
Class B Common Stock	-	3,133,903	3,133,903	8,675,214	11,809,117
<b>Total Shares Outstanding</b>	13,651,521	4,287,749	17,939,270	8,675,214	26,614,484

## Voting FOR Proxy Item 2:

1. The holders of Series B Preferred Stock will cease to have priority valued at approximately \$60 million, plus accrued and unpaid dividends, ahead of any payment to holders of our Common Stock
2. The Class B Common Stock would, for a period of time, have a lower priority than payments to holders of our Common Stock for the purposes of dividends
3. Avoids a dividend increase on Series B Preferred from 4.00% to 11.00% per annum after February 3, 2022

Please refer to slide 13 for complete footnotes on 1, 2, 3, 4 and 5.

## Key Proposal – Item 3

**To consider and vote upon a Contribution Agreement and the transactions contemplated by the Contribution Agreement to internalize the Company's external manager, Corridor InfraTrust Management, LLC;**

- CORR has historically been externally managed by Corridor pursuant to the terms of a Management Agreement
- As part of the Crimson transaction negotiations, CORR agreed to internalize its external manager.
- Internalization of the REIT manager valued at \$16.9 million funded with:
  - \$8.1 million of common shares at a share price of \$7.02 (90% of 30-day VWAP at close)
  - \$4.8 million of new CORR Class B common shares at a share price of \$7.02 (90% of 30-day VWAP at close)
  - \$4.0 million of Series A preferred equity at \$23.50 per share

**The Board of Directors of the Company (excluding Mr. Schulte who has material financial interests in the Internalization and, accordingly, has abstained from joining in our Board's recommendation) unanimously recommends stockholders of the Company vote “FOR” the Contribution and the transactions it contemplates, including the Internalization and the issuance of the REIT Stock pursuant to the Internalization.**



## Item 3 Reviewed by Special Committee

### **A Special Committee of the Board reviewed, negotiated and approved the internalization transaction**

- Comprised of Todd Banks, Conrad Ciccotello, and Catherine Lewis, all independent directors of the Company
- None of the members of the Special Committee is an officer or employee of the Company or Corridor, or has an ownership or other direct or indirect interest in Corridor

### **The Special Committee met 11 times from August 6, 2020 until approval of the internalization transaction on February 1, 2021**

- Advised by TD Securities and Evercore Group L.L.C. as financial advisors

### **Board of Directors met on February 4 to vote unanimously to approve the Internalization**

- Mr. Schulte abstained from such vote because of his interest in Corridor

## The Importance of Voting FOR Item 3

**The Special Committee took into account the following factors (without assigning relative weights), among others, which the Special Committee believes support the Internalization<sup>1</sup>:**

- the removal of an asset based management fee;
- the ability to accommodate integration of the Crimson management team in a more uniform manner;
- allocation of compensation responsibility and control to a committee of the Board;
- the ability to complete the internalization using Company securities as the internalization consideration;
- the timing of the transaction, particularly compared to the price that might have been paid in the past;
- the fair and customary terms of the relevant agreements;
- the subordinated feature of the Class B Common Stock used as a portion of the consideration;
- conforming to the predominant REIT governance model;
- an estimate of the amount of aggregate management fees that the Company would pay to the Manager prior as contrasted with the estimated savings from the Internalization; and
- the limited termination provisions under the existing management agreement.

1. For the complete list, please refer to the proxy statement under the section titled: "Recommendation of the Special Committee; Reasons for Recommendation"

## Alignment of Management upon Affirmative Votes

Name	Current Common Stock	Proposal Two		Proposal Three		Fully Converted Total Shares*	% of Fully Converted Shares
		Class B Stock	Class B Stock	Common Stock	Class B Stock		
John Grier		2,450,142	8,675,214			11,125,356	41.8%
David Schulte	29,570			616,403	365,276	1,011,249	3.8%
Becky Sandring	5,374			60,580	35,900	101,854	0.4%
Jeff Fulmer	8,865			93,199	55,229	157,293	0.6%
Larry Alexander					#	#	#
Robert Waldron					#	#	#

# John Grier will transfer a portion of his shares to senior management, including Mr Alexander and Mr Waldron, upon CPUC approval

\*Assuming all Class A-2 and A-3 units are converted at a 1:1 ratio to Common Stock

Total Fully Converted Shares 26,614,484



**For additional information:**

CorEnergy Infrastructure Trust, Inc.  
Investor Relations  
Debbie Hagen or Matt Kreps  
877-699-CORR (2677)  
[info@corenergy.reit](mailto:info@corenergy.reit)

# Prospective Forward-Looking Capitalization Table (as of March 31, 2021)

	March 31, 2021 Actual <sup>1</sup>	Prospective Adjustments <sup>2</sup>	Prospective for Non-Controlling Interest Reorg. and Internalization	Prospective Adjustments <sup>3</sup>	Prospective for Non-Controlling Interest Conversion
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(1) The non-controlling interest reflects the Grier Members' equity consideration for the A-1, A-2 and A-3 units representing a 50.50% interest in Crimson. Subject to CPUC regulatory approval and certain stockholder approvals, these units are convertible into certain CorEnergy securities as illustrated in the prospective adjustments above.

(2) The increase in Series A Preferred Stock, Common Stock and Class B Common Stock reflect the prospective adjustment for the equity consideration outlined in the Internalization agreement. The Internalization agreement is subject to stockholder approval before such equity consideration can be issued. See Proposal 3 – Approval of the Contribution Agreement and Internalization of Corridor in the Company's definitive proxy statement filed with the SEC on June 1, 2021, for further details on the Internalization. Further, the prospective adjustments also reflect the Grier Members' conversion of the non-controlling interest presently represented by their A-1, A-2 and A-3 units into Series C Preferred Stock, Series B Preferred Stock and Class B Common, respectively. Such conversions are subject to receiving CPUC approval and, in case of the further conversion of Series B Preferred to Class B Common Stock, approval by our stockholders and are at the election of the holders. Further, we do not expect the holders to exercise their conversion rights all at once due to the income tax consequences arising from such conversions. We cannot predict when the holders will elect to convert or if they will elect to convert at all.

(3) The increase in the Series A Preferred Stock assumes the Grier Members elect to convert their Series C Preferred Stock. The increase in Class B Common Stock assumes stockholder approval is received allowing the Grier Members to convert the Series B Preferred Stock to Class B Common Stock.

(4) Long-term debt is presented net of discount and deferred financing costs.

(5) The shares outstanding do not include the impact of in kind dividends declared by the CorEnergy Board of Directors on the Series B Preferred.