



**MAGNOLIA**  
OIL & GAS CORPORATION

## Discussion Materials

June 2018

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## RESERVE INFORMATION

Reserve engineering is a process of estimating underground accumulations of hydrocarbons that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions could impact TPGE's strategy and change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of oil and natural gas that are ultimately recovered. Estimated Ultimate Recoveries, or "EURs," refers to estimates of the sum of total gross remaining proved reserves per well as of a given date and cumulative production prior to such given date for developed wells. These quantities do not necessarily constitute or represent reserves as defined by the SEC and are not intended to be representative of all anticipated future well results.

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## IMPORTANT INFORMATION FOR INVESTORS AND SHAREHOLDERS

In connection with the proposed business combination, TPGE has filed a preliminary proxy statement with the SEC. The definitive proxy statement, when available, and other relevant documents will be sent or given to the shareholders of TPGE and will contain important information about the proposed business combination and related matters. TPGE shareholders and other interested persons are advised to read, when available, the definitive proxy statement in connection with TPGE's solicitation of proxies for the meeting of shareholders to be held to approve the business combination because the proxy statement will contain important information about the proposed business combination. When available, the definitive proxy statement will be mailed to TPGE shareholders as of a record date to be established for voting on the business combination and certain other matters. Shareholders will also be able to obtain copies of the definitive proxy statement, without charge, once available, at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, shareholders will be able to obtain free copies of the definitive proxy statement by directing a request to: TPG Pace Energy Holdings Corp., 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102, Attn: Secretary. The information contained on, or that may be accessed through, the websites referenced in this presentation is not incorporated by reference into, and is not a part of, this presentation.

## PARTICIPANTS IN SOLICITATION

TPGE, EnerVest and their respective directors and officers may be deemed participants in the solicitation of proxies of TPGE's shareholders in connection with the proposed business combination. TPGE shareholders and other interested persons may obtain, without charge, more detailed information regarding the directors and officers of TPGE in TPGE's Registration Statement on Form S-1 initially filed with the SEC on April 17, 2017. Additional information will be available in the definitive proxy statement when it becomes available.

## 1 \$650 million IPO in May 2017



- IPO at \$10/unit; NYSE ticker of TPGE
- Steve Chazen and TPG partnered to form a publicly traded consolidation platform with a disciplined corporate return philosophy

## 2 \$2.7 billion Asset Identified



- On March 20, 2018, TPGE entered into definitive agreements to acquire EnerVest's South Texas Division

## 3 Transaction Validation Through PIPE



- TPGE raised \$355 million in a Private Placement at \$10/share prior to announcement of the EnerVest transaction

## 4 Preliminary Proxy Filed on May 10<sup>th</sup>



- TPGE will be renamed Magnolia Oil & Gas Corporation and trade under the NYSE ticker "MGY" at close
- Transaction is expected to close in 3Q 2018

**Newly formed public company with expected \$1 billion public float and \$2.4 billion market capitalization managed by former Occidental Petroleum CEO Steve Chazen**



***A differentiated Independent E&P Company with the objective to generate stock market value over the long term, through:***

- 1** Consistent organic production growth
- 2** High EBIT operating margins → focused on oil
- 3** Efficient capital program with short economic paybacks
- 4** Significant free cash flow after capital expenditures
- 5** Effective reinvestment of free cash flow

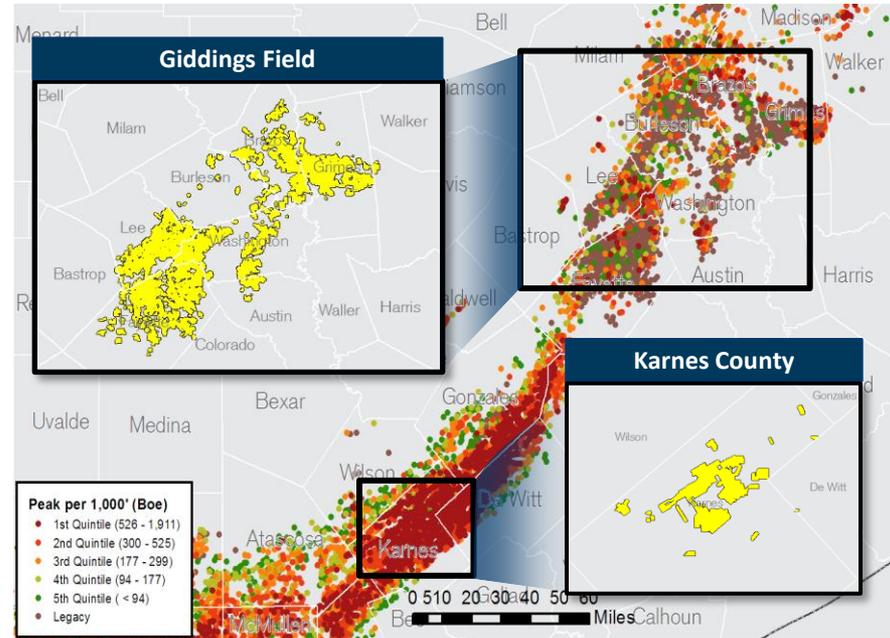
**Magnolia will use the same playbook that Steve Chazen & Chris Stavros deployed and refined during their tenures at Occidental Petroleum**

# Top Tier Eagle Ford & Austin Chalk Asset Position

## Entry into South Texas at an Attractive Price with Significant Running Room

- High-quality, low-risk pure-play South Texas operator with a core Eagle Ford and Austin Chalk position
- Significant scale and PDP base generates material free cash flow, reduces development risk and increases optionality
- Core Karnes County Position**
  - Some of the most prolific acreage in Karnes County, representing the premier county in the Eagle Ford play
  - Certain recent Karnes County Austin Chalk wells have outperformed even the best Eagle Ford and Permian Wolfcamp well results
- Giddings Field**
  - Discovered in the 1920's, commercial development began in the 1970's originally targeting natural fractures in the Austin Chalk with open hole completions
  - Now targeting prolific Austin Chalk zones using modern completions techniques
  - Early results show some of the highest production wells to date in the play

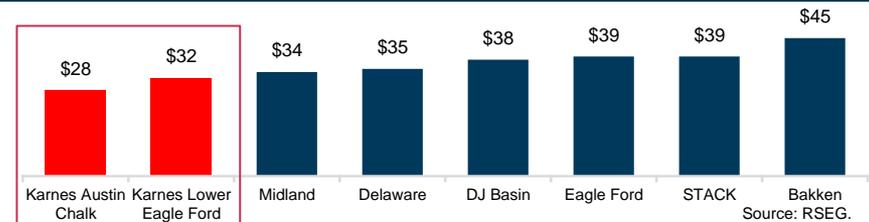
## ~358,000 Net Acres Position Targeting Two of the Top Oil Plays in the U.S.



Source: IHS Performance Evaluator.

	Karnes	Giddings	Total
<b>Net Acres</b>	<b>14,070</b>	<b>344,384</b>	<b>358,454</b>
<b>Q1 2018 Net Production<sup>(1)</sup> (Mboe/d)</b>	<b>35.5</b>	<b>10.2</b>	<b>45.7</b>

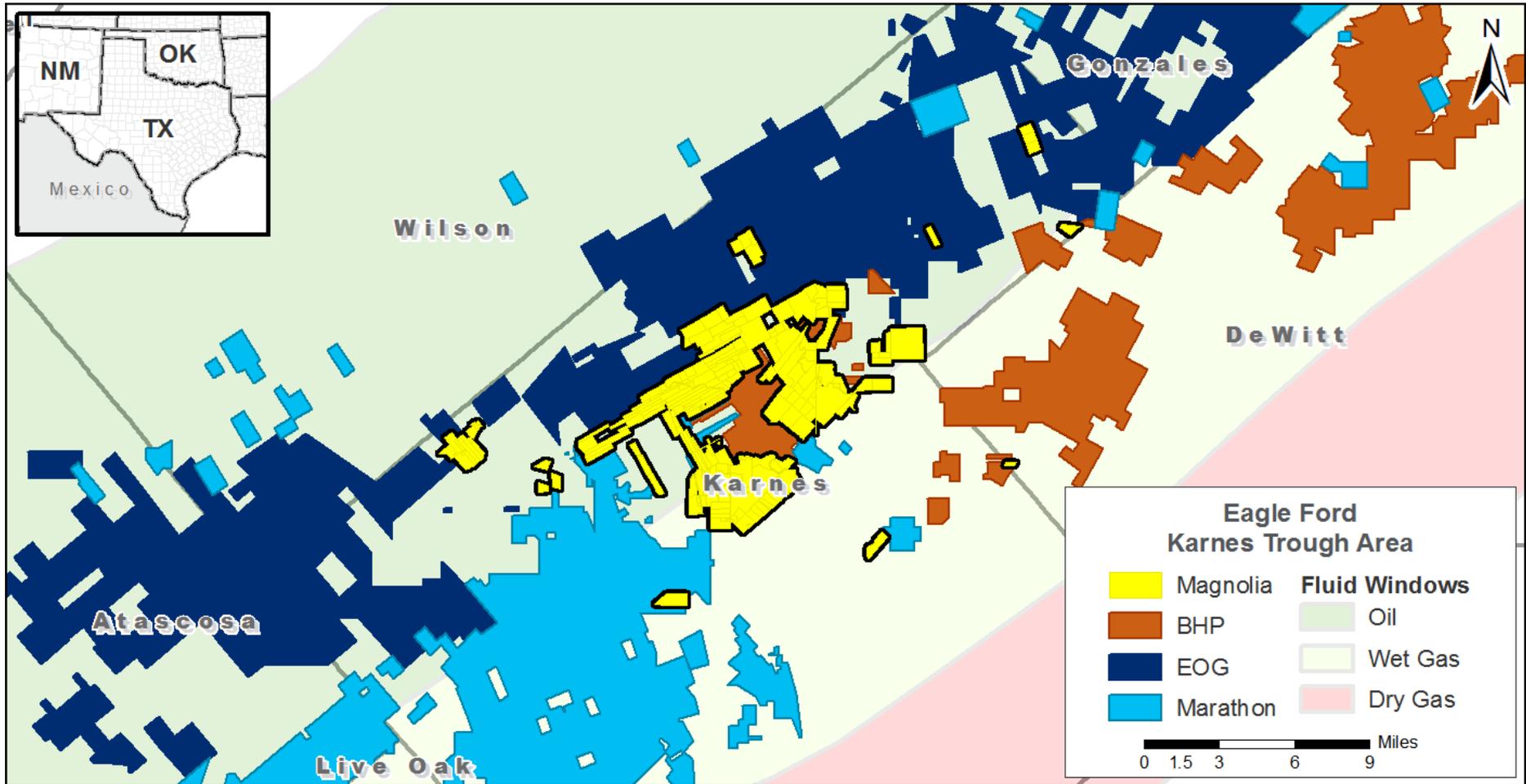
## Industry Leading Breakevens (\$/bbl WTI)



**Magnolia is in a well-delineated, low-risk position in the Karnes County Core with significant upside in the Giddings Field, a re-emerging premier oil play**

(1) Q1 2018 estimated production based off unaudited lease operating statements.

# Located in an Attractive Neighborhood



**Core position in Karnes County Oil Window adjacent to EOG and Marathon with \$28 to \$32/barrel breakevens<sup>(1)</sup> and less than 1-year new well paybacks**

(1) Source: RSEG.

# Great Fit with Management's Value Creation Strategy

Value Creation Strategy	Magnolia Oil & Gas
Build a large scale focused business	<ul style="list-style-type: none"><li>• Core Karnes County acreage with some of the best economics in the U.S.<sup>(1)</sup></li></ul>
Generate cash flow well in excess of anticipated capital needs	<ul style="list-style-type: none"><li>• Highly economic wells with short payback periods creates self-funding drilling program, averaging less than 1-year paybacks</li></ul>
Organic growth within cash flow	<ul style="list-style-type: none"><li>• Targeting ~10% organic production growth while generating significant free cash flow</li></ul>
Low cost resource optionality	<ul style="list-style-type: none"><li>• Large potential upside from re-emerging Giddings Austin Chalk</li></ul>
Low leverage; investment grade style target	<ul style="list-style-type: none"><li>• \$300 million of debt and ~\$550 million of liquidity expected at close<sup>(2)</sup></li></ul>
Relentless focus on superior operating margins and returns	<ul style="list-style-type: none"><li>• Industry leading all-in-cost and full cycle economics</li></ul>
Experienced Team	<ul style="list-style-type: none"><li>• Experienced management in Steve Chazen and Chris Stavros</li><li>• Ability to leverage EnerVest's proven operating and technical team as a contract operator</li></ul>

(1) Source: RSEG.

(2) Assumes \$550 million undrawn RBL facility.

## Recent Highlights

- Oil weighted average production of 45.7 Mboe/d<sup>(1)</sup>
  - 62% Oil, 78% Liquids
  - 84% and 92% of revenue associated with oil and liquids, respectively
  - Q1 EBITDA of \$152.2 million and Free Cash Flow of \$66.2 million<sup>(2)</sup>
- Strong Realized Pricing:
  - Oil price realizations of \$63.69 per barrel, representing a \$0.79 premium to WTI on oil volumes<sup>(1, 3)</sup>
  - Natural gas realizations of \$2.81 in line with Henry Hub<sup>(1, 3)</sup>
- Development Pace:
  - Three rigs currently in operation
  - Added second rig in Karnes in May 2018
- Strong peer share price performance on an absolute and EBITDA multiple basis since announcement to today<sup>(1,4)</sup>
  - Median In-Basin comps: Multiple expanded from 5.0x to 5.7x and 55% share price increase
  - Median Business Model comps: Multiple expanded from 8.2x to 8.5x and 22% share price increase

(1) The information presented is based on the unaudited lease operating statements for the assets to be acquired in the business combination ("Magnolia Assets") and will not reconcile to the EnerVest financial statements presented in accordance with U.S. generally accepted accounting principles.

(2) Pro forma EBITDA is calculated as total revenue less direct operating expenditures and \$10.6 million of estimated general and administrative ("G&A") expense, which represents an estimate of Magnolia's quarterly G&A expense following the completion of the business combination and build-out of Magnolia's management team and overhead structure. Free cash flow is calculated as Pro Forma EBITDA less capital expenditures.

(3) Source: S&P CapIQ.

(4) As of 5/25/2018. In-Basin peers include CRZO, SN, WRD, SM, and EPE. Business Model peers include CLR, DVN, FANG, RSPP, and CXO.

# Focus on Maintaining High Full-Cycle Operating & EBIT Margins



## Benchmark Prices

WTI (\$/bbl)	\$45.00	\$58.00	\$65.00
Henry Hub (\$/mcf)	\$2.75	\$2.75	\$2.75

## Differentials

Oil (\$/bbl)	(\$1.33)	(\$1.33)	(\$1.33)
Gas (\$/mcf)	(\$0.28)	(\$0.28)	(\$0.28)
NGL (% of WTI)	38%	38%	38%

## Realized Price

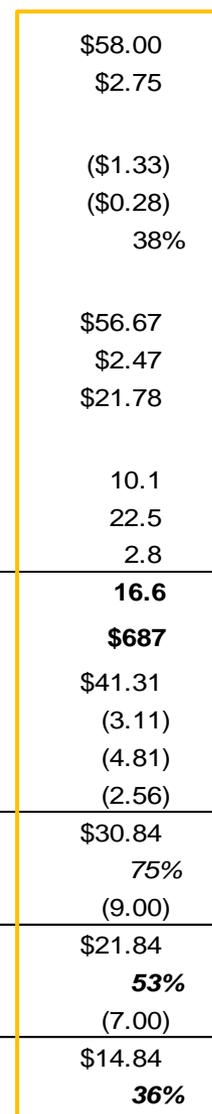
Oil (\$/bbl)	\$43.67	\$56.67	\$63.67
Gas (\$/mcf)	\$2.47	\$2.47	\$2.47
NGL (\$/bbl)	\$16.90	\$21.78	\$24.41

## 2018E Production

Oil (MMbbl)	10.1	10.1	10.1
Gas (Bcf)	22.5	22.5	22.5
NGL (MMbbl)	2.8	2.8	2.8

<b>Total Production (MMboe)</b>	<b>16.6</b>	<b>16.6</b>	<b>16.6</b>
<b>Revenue (\$MM)</b>	<b>\$542</b>	<b>\$687</b>	<b>\$765</b>
Net Price/boe	\$32.62	\$41.31	\$45.99
Less: Taxes/boe	(2.49)	(3.11)	(3.56)
Less: LOE/boe	(4.81)	(4.81)	(4.81)
Less: G&A/boe	(2.56)	(2.56)	(2.56)
EBITDA Margin (\$/boe)	\$22.77	\$30.84	\$35.07
<i>EBITDA Margin (%)</i>	<i>70%</i>	<i>75%</i>	<i>76%</i>
Less: Estimated F&D (\$/boe) <sup>(1)</sup>	(9.00)	(9.00)	(9.00)
Full Cycle Margin (\$/boe)	\$13.77	\$21.84	\$26.07
<b>Full Cycle Margin (%)</b>	<b>42%</b>	<b>53%</b>	<b>57%</b>
Less Estimated Undeveloped Allocation (\$/boe) <sup>(2)</sup>	(7.00)	(7.00)	(7.00)
EBIT (\$/boe)	\$6.77	\$14.84	\$19.07
<b>EBIT Margin (%)</b>	<b>21%</b>	<b>36%</b>	<b>41%</b>

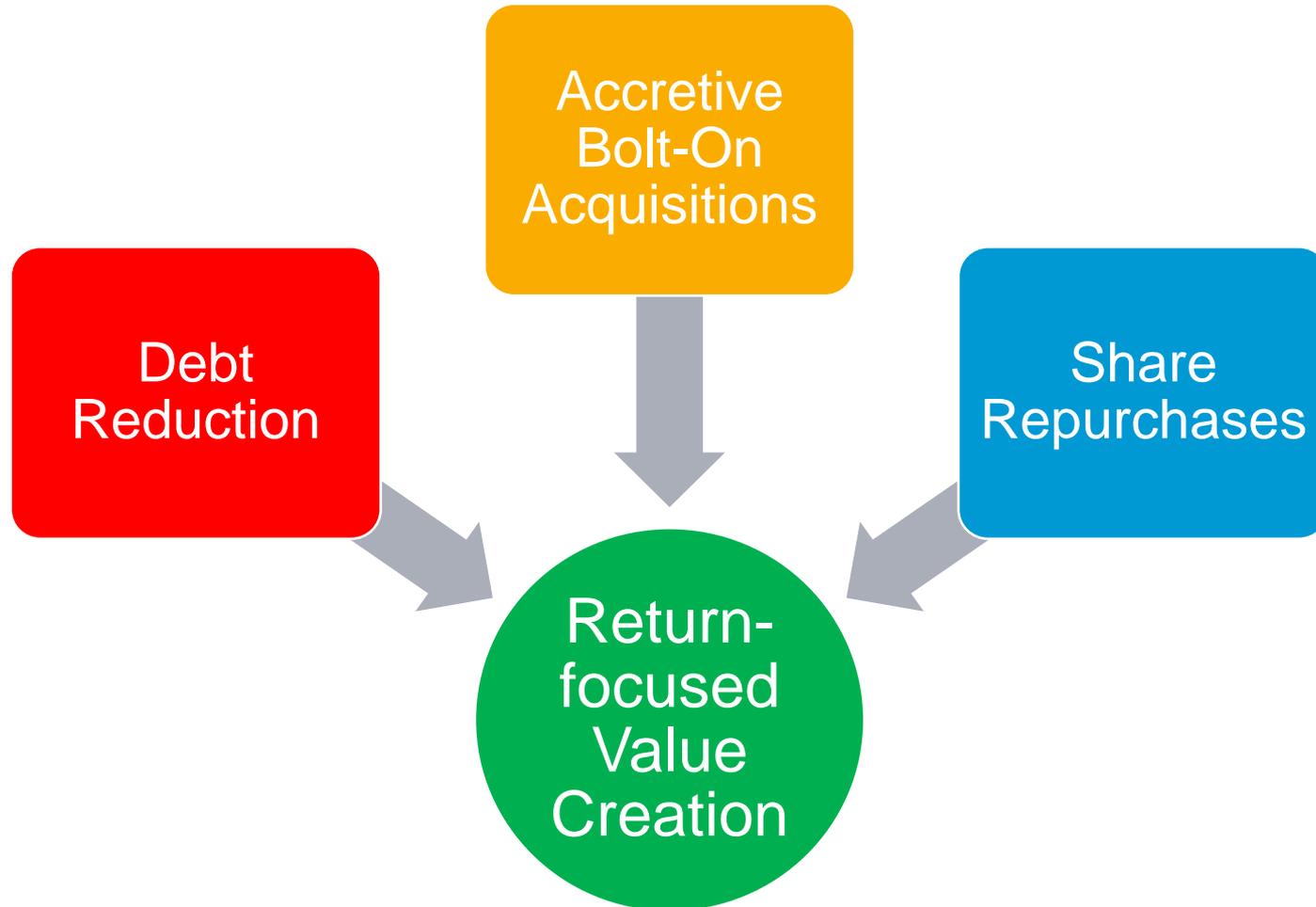
*Base case of \$58 WTI oil at time of announcement*



Note: Boxed \$58 / bbl WTI case was originally disclosed in the investor presentation posted to TPGE's website on March 20, 2018 and corresponds to base case financial projections included in preliminary merger proxy filed May 10, 2018.

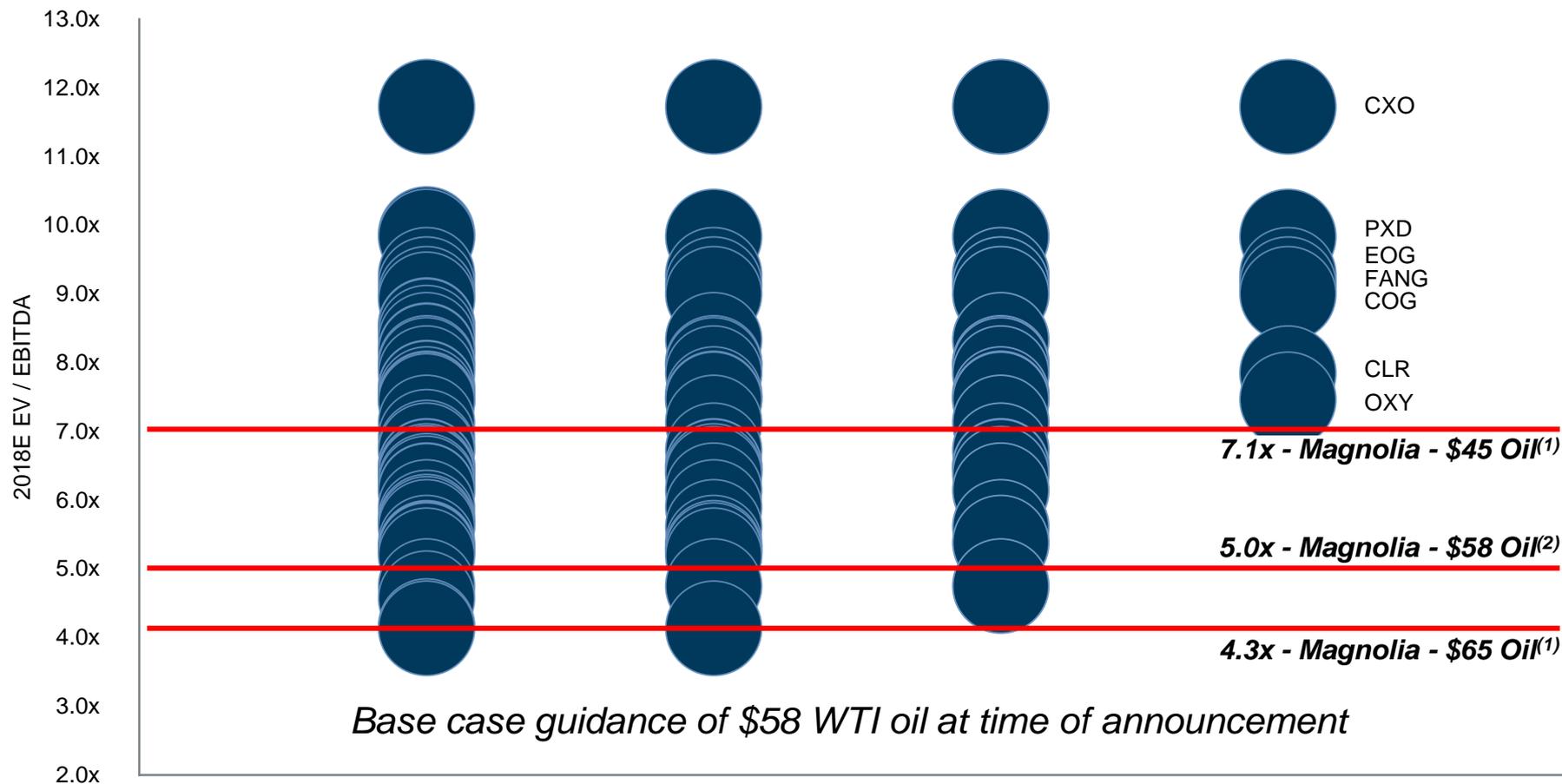
(1) Illustrative TPGE estimated F&D costs. F&D costs defined as estimated D&C well capex divided by estimated ultimate production.

(2) Illustrative TPGE estimated undeveloped purchase price allocation divided by estimated resource, subject to further diligence.



**With a targeted goal of always being free cash flow positive, Magnolia intends to be a prudent steward of shareholder's capital**

# Attractive Entry Valuation



	U.S. Independents	<1.5x 2018E Leverage	>8% Production CAGR (2017E-2019E)	2018E and 2019E FCF Positive
Number of companies:	50	27	21	7
Median 2018E EV / EBITDA:	6.7x	6.7x	7.5x	9.1x

Source: Company filings, FactSet consensus peer projections as of 5/25/2018.

Note: U.S. Independents include: APA, APC, AR, BBG, CDEV, CHK, CLR, CNX, COG, COP, CPE, CRZO, CVE, CXO, DNR, DVN, ECA, ECR, EGN, EOG, EPE, EQT, FANG, GPOR, HES, HK, JAG, LPI, MRO, MTDR, MUR, NBL, NFX, OAS, OXY, PDCE, PE, PXD, QEP, REN, RRC, SM, SN, SRCI, SWN, WLL, WPX, WRX, XEC, and XOG. Median and count figures do not include Magnolia. 2018E Leverage is debt adjusted to account for outspend defined as: EBITDA – interest expense – capital expenditures. Production CAGR based on 2017-2019 estimates.

(1) Implied multiple based off \$10.00 share price and various commodity price sensitivity cases. See slide 9 (Focus on Maintaining High Full-Cycle Operating & EBIT Margins) and slide 16 (Better Than Expected 1Q18 Results) for additional details on Magnolia and 2018E base case and sensitivity case projections.

(2) Implied multiple based off \$10.00 share price and base case financial projections as shown in the preliminary merger proxy filed on May 10, 2018, which was originally disclosed in the investor presentation posted to TPGE's website on March 20, 2018.

# Summary Investment Highlights – Why Own Magnolia Oil & Gas?



## Premier Platform Positioned for Success

- Coveted position in core of Karnes County with industry leading breakevens between \$28 - \$32 per barrel<sup>(1)</sup>
- Emerging position in the Giddings Field with results that continue to improve and substantial running room



## Positive Free Cash Flow and Peer Leading Margins

- One of the select upstream independents generating substantial free cash flow after capital expenditures
- Peer leading free cash flow yield at a wide range of commodity prices



## Multiple Levers of Growth

- Steady organic growth through proven drilling program while remaining well within cash flow
- Clean balance sheet and strong free cash flow enables Magnolia to pursue accretive acquisitions



## Strong Balance Sheet and Financial Flexibility

- Conservative leverage profile with only \$300 million of total debt outstanding expected at closing
- Substantial liquidity of \$550 million at closing<sup>(2)</sup>



## Experienced Management Team

- Steve Chazen has a strong track record of disciplined operations and careful capital allocation policy
- Partnership with EnerVest, an industry-leading operator with a strong operating track record in South Texas

(1) Source: RSEG.

(2) Assumes \$550 million undrawn RBL borrowing base at closing.



## **Appendix – Financial Information**

# Sources, Uses and Pro Forma Valuation



## Sources & Uses (Estimated)

Sources	Ann.	Adj.	Close <sup>(3)</sup>	%
Equity to Seller	\$1,326	(\$131)	\$1,194	45%
TPGE Cash in Trust <sup>(4, 5)</sup>	650	650		24%
PIPE Issuance Cash Proceeds	355	355		13%
Senior Note Offering	300	300		11%
Sponsor Shares	163	163		6%
<b>Total Sources</b>	<b>\$2,793</b>	<b>(\$131)</b>	<b>\$2,662</b>	<b>100%</b>

Uses	Ann.	Adj.	Close <sup>(3)</sup>	%
Equity to Seller	\$1,326	(\$131)	\$1,194	45%
Cash to Seller	1,099	1,099		41%
Sponsor Shares	163	163		6%
Recent Acquisition	146	146		6%
Fees & Expenses <sup>(6)</sup>	60	60		2%
<b>Total Uses</b>	<b>\$2,793</b>	<b>(\$131)</b>	<b>\$2,662</b>	<b>100%</b>

*Base case of \$58  
WTI oil at time of  
announcement*

## Post Transaction Ownership (Estimated)<sup>(1, 2)</sup>

	At Announcement	Adj.	At Close <sup>(3)</sup>
<b>Ownership</b>			<b>\$MM</b>
Public Investors	\$1,005		\$1,005
Seller	1,326	(131)	1,194
Sponsor	163		163
<b>Total</b>	<b>\$2,493</b>	<b>(\$131)</b>	<b>\$2,362</b>

		At Close <sup>(3)</sup>
<b>Ownership</b>		<b>\$MM</b>
Public Investors	40%	43%
Seller	53%	51%
Sponsor	7%	7%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## Pro Forma Valuation

	At Announcement	Adj.	At Close <sup>(3)</sup>
<b>Valuation</b>			<b>\$MM</b>
Illustrative Share Price	\$10.00		\$10.00
Shares Outstanding <sup>(1,2)</sup>	249	(13)	236
<b>Equity Value</b>	<b>\$2,493</b>		<b>\$2,362</b>
Net Debt	300		300
<b>Projected Enterprise Value</b>	<b>\$2,793</b>		<b>\$2,662</b>

**Opportunity to invest at an attractive entry alongside the seller who we expect to retain a vast majority of their stake given their belief in Steve Chazen's ability to unlock value**

Note: Base case projections based on flat \$58 WTI and \$2.75 Henry Hub pricing and include recent acquisition. Please see preliminary merger proxy filed May 10, 2018 for details on base case projections.

(1) Other outstanding instruments from TPGE.U IPO: 21.7 million warrants for 21.7 million shares at \$11.50 per share; 10 million founder warrants for 10 million shares at \$11.50 per share.

(2) 13 million contingent shares for seller and 4 million EnerVest operating team incentive shares trigger between a mix of exceeding certain operational targets or stock price hurdles between \$12.50 and \$14.50 per share over 2.5 - 4 years.

(3) At close figures assumes 6/30/2018 estimating close timing guidance at time of announcement and base case 1H 2018E free cash flow of \$131mm is used to reduce purchase price. Actual adjustment is subject to change based on actual timing of closing and actual cash flows between January 1, 2018 and closing.

(4) Actual amount to be adjusted for interest income prior to close. \$654.9 million held in trust as of 3/31/2018.

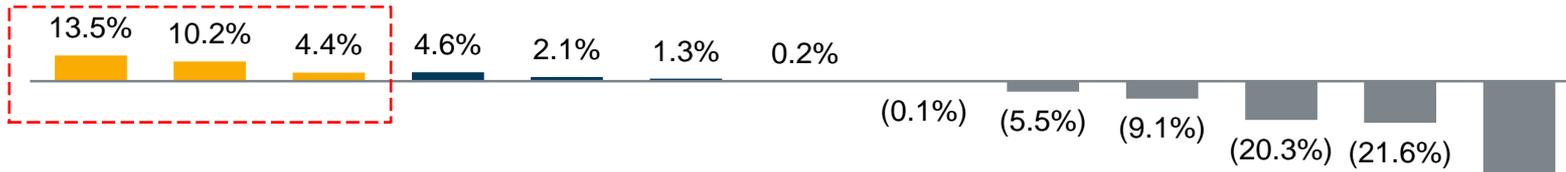
(5) Cash in trust account assumes no redemptions in connection with the business combination.

(6) Includes, among other things, deferred underwriting fees from TPGE.U IPO.

# Attractive Compared to In-Basin and Business Model Comps

Magnolia will be in a class of its own from a cash flow generation perspective...

## 2018E Free Cash Flow Yield<sup>(1)</sup>



## 2018E Free Cash Flow (\$MM)



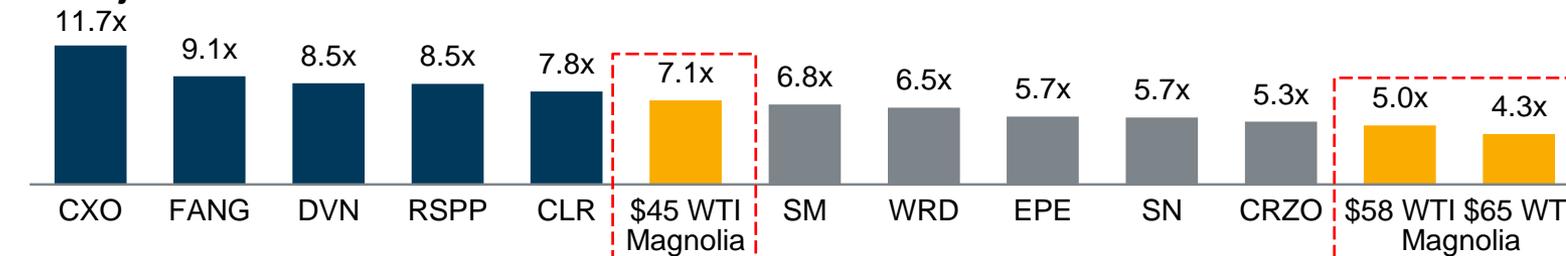
...the lowest leverage in the peer group...

## Total Debt / 2018E EBITDA



...yet is priced in line with in-basin comps and meaningfully below the business model comps

## Debt Adj. TEV / 2018E EBITDA



### Legend



- CRZO
- EPE
- SM
- SN
- WRD



- CLR
- CXO
- DVN
- FANG
- RSP

Source: Company filings, FactSet consensus projections as of 5/25/2018. Note: See slide 9 (Focus on Maintaining High Full-Cycle Operating & EBIT Margins) and slide 16 (Better Than Expected 1Q18 Results) for additional details on Magnolia and 2018E base case and sensitivity case projections..

(1) Free Cash Flow Yield calculated as 2018E Free Cash Flow divided by equity market capitalization as of 5/25/2018.

# Better Than Expected 1Q18 Results



## Magnolia Q1 2018 Results<sup>(1)</sup>

	Karnes	Giddings	Total
<b>Average Daily Production</b>			
Oil (MBbls/d)	25.3	2.9	28.2
Natural Gas (MMcf/d)	32.5	27.7	60.3
NGL (MBbls/d)	4.8	2.6	7.4
<b>Total Oil Equivalent (MBoe/d)</b>	<b>35.5</b>	<b>10.2</b>	<b>45.7</b>
% Oil	71%	29%	62%
% Liquids	85%	55%	78%

### Average sales prices:

Oil (per Bbl)	\$63.69
Average NYMEX WTI (per Bbl) <sup>(2)</sup>	\$62.90
Differential to NYMEX WTI	\$0.79
Natural gas (per Mcf)	\$2.81
Average NYMEX Henry Hub (per Mcf) <sup>(2)</sup>	\$2.80
Differential to NYMEX Henry Hub	\$0.01
NGL (per Bbl)	\$24.09

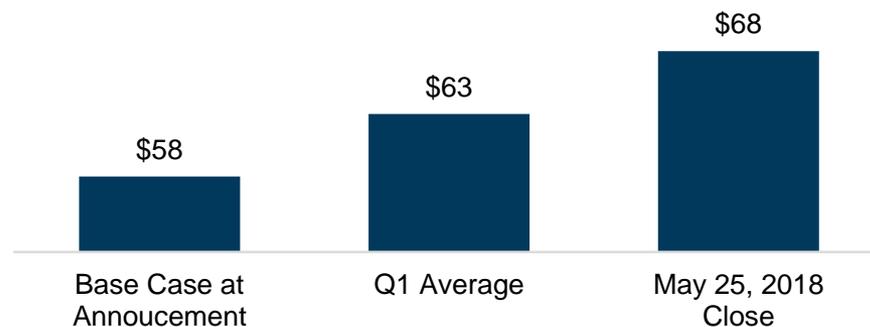
### Selected Financial Statistics:

Pro Forma EBITDA <sup>(5)</sup>	(\$MM)	\$152.2
Capital Expenditures		85.9
<b>Free Cash Flow<sup>(6)</sup></b>		<b>\$66.3</b>

## 2018E Projections

	2018E			Q1 2018
	Base Case <sup>(3)</sup>	Sensitivity Cases <sup>(4)</sup>		Actual <sup>(1)</sup>
Index Oil Price (\$ / Bbl)	\$58.00	\$45.00	\$65.00	\$62.90
Realized Oil Price (\$ / Bbl)	\$56.67	\$43.67	\$63.67	\$63.69
Total Production (MMboe)	16.6	16.6	16.6	4.1
Total Revenue (\$MM)	\$687	\$542	\$765	\$193
Pro Forma EBITDA (\$MM) <sup>(5)</sup>	\$513	\$379	\$581	\$152
EBITDA Margin <sup>(5)</sup>	75%	70%	76%	79%
Free Cash Flow <sup>(6)</sup>	\$241	\$107	\$313	\$66

## NYMEX WTI Oil Prices



- (1) The information presented is based on the unaudited lease operating statements for the Magnolia Assets and will not reconcile to the EnerVest financial statements presented in accordance with U.S. generally accepted accounting principles.
- (2) Source: S&P CapIQ.
- (3) Assumes flat index oil price indicated, \$2.75 / Mcf index price for natural gas and NGL realizations of 38% of index oil price for full year 2018E. Represents base case financial projections included in preliminary merger proxy filed May 10, 2018, which was originally disclosed in the investor presentation posted to TPGE's website on March 20, 2018.
- (4) Assumes flat index oil price indicated, \$2.75 / Mcf index price for natural gas and NGL realizations of 38% of index oil price for full year 2018E. See slide 9 (Focus on Maintaining High Full-Cycle Operating & EBIT Margins) for assumptions regarding sensitivity cases.
- (5) Pro Forma EBITDA is calculated as revenue less direct operating expenditures and \$10.6 million of estimated G&A expense, which represents an estimate of Magnolia's quarterly G&A expense following the completion of the business combination and build out of Magnolia's management team and overhead structure. EBITDA margin is calculated as Pro Forma EBITDA divided by total revenue.
- (6) Free cash flow is calculated as Pro Forma EBITDA less capital expenditures.



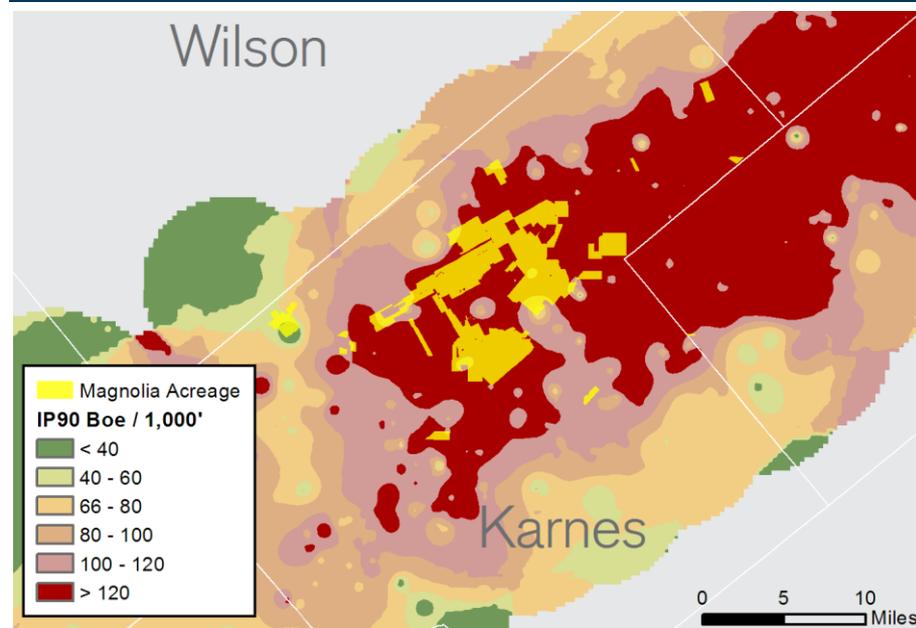
## **Appendix – Operational Information**

# Karnes County – Core Eagle Ford and World Class Austin Chalk

## Key Asset Highlights

- World-class acreage footprint located in the core of the Eagle Ford, substantially de-risked
  - 14,070 net acres (28,886 gross acres), 65% operated, 88% HBP, 35.5 Mboe/d Q1 2018 production (71% oil, 85% liquids)<sup>(1)</sup>
  - EOG represents ~50% of non-operated interest
- Steady production growth while generating substantial free cash flow
  - Full field development allows for operational efficiencies and improved performance
- Well known, repeatable acreage position targeting multiple benches and represents some of the best economics in North America
  - Breakevens between \$28 - \$32 per barrel<sup>(2)</sup>
  - Magnolia Eagle Ford Type Curve IP30/IP90: 400/285 boe/d / 1,000' LL (88/85% Oil)
  - Magnolia Austin Chalk Type Curve IP30/IP90: 465/400 boe/d / 1,000' LL (80/77% Oil)

## Premier Position in the Core of the Eagle Ford



Source: IHS Performance Evaluator.

## 2018E Development Assumptions<sup>(3)</sup>

	Gross Wells Completed	Net Wells Completed
Magnolia DUCs	17	15
Non-Op DUCs	20	7
Magnolia Operated	23	18
Non-Operated	18	5
<b>Total</b>	<b>78</b>	<b>45</b>

(1) Q1 2018 estimated production based off unaudited lease operating statements.

(2) Source: RSEG.

(3) Development assumptions associated with base case projections included in preliminary merger proxy filed May 10, 2018, which was originally disclosed in the investor presentation posted to TPGE's website on March 20, 2018.

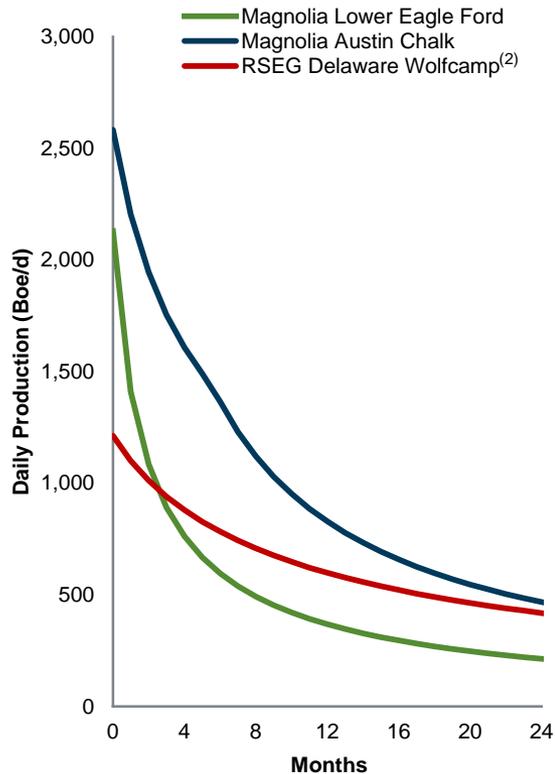
## Robust Risked Inventory

Gross Locations	Austin Chalk	Eagle Ford	Total
Magnolia Operated	185	325	510
Non Operated	150	365	515
<b>Total</b>	<b>335</b>	<b>690</b>	<b>1,025</b>
Net Locations	Austin Chalk	Eagle Ford	Total
Magnolia Operated	145	190	335
EOG Non-Op	25	25	50
Other Non-Op	15	35	50
<b>Total</b>	<b>185</b>	<b>250</b>	<b>435</b>

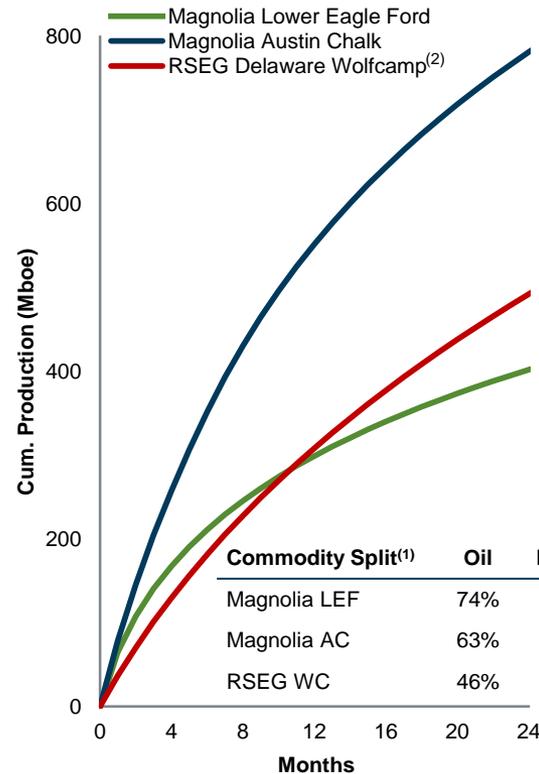
# Karnes County has some of the Top Economics in North America

- Results in Karnes County are some the best in North America
- Karnes Eagle Ford and Austin Chalk type curves produce 216,000 and 330,000 barrels of oil, respectively, in their first 12 months of production supporting paybacks in less than 6 months
- Liquids heavy commodity mix with Eagle Ford wells producing 74% oil (86% liquids)<sup>(1)</sup> and Austin Chalk wells producing 63% oil (80% liquids)<sup>(1)</sup>

## Karnes has some of the highest U.S. IPs...

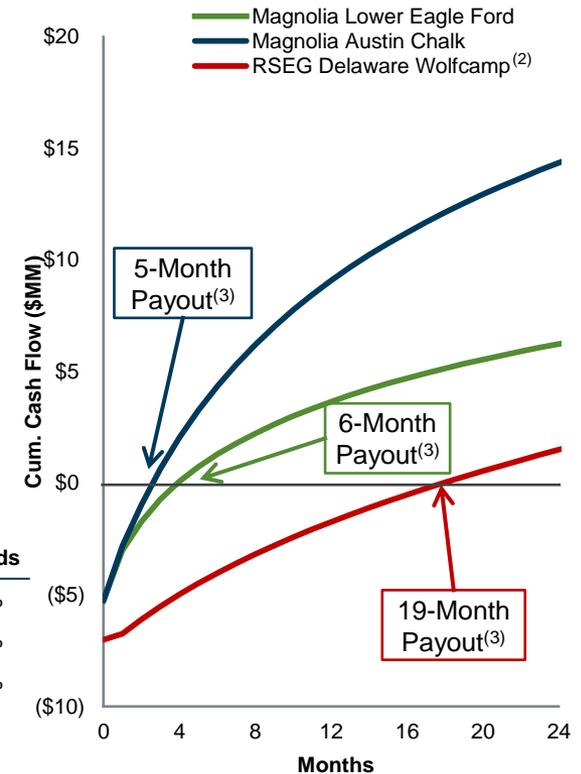


## ...with significant early cumulative production...



Commodity Split <sup>(1)</sup>	Oil	Liquids
Magnolia LEF	74%	86%
Magnolia AC	63%	80%
RSEG WC	46%	73%

## ...resulting in best in class paybacks



Note: Magnolia type curves normalized to 5,000' laterals. Projections based on flat \$58 WTI and \$2.75 Henry Hub pricing.

(1) Commodity percentage splits represent first 24 months of production.

(2) Source: RSEG, Delaware North Reeves Wolfcamp A curve.

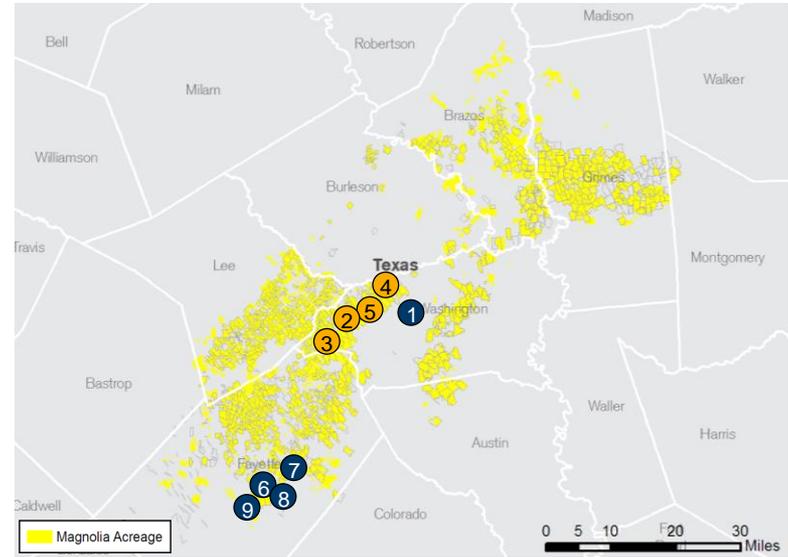
(3) All payout figures include assumed 2-month spud to sales delay.

# Giddings Field – Austin Chalk Redeveloping as an Emerging Play

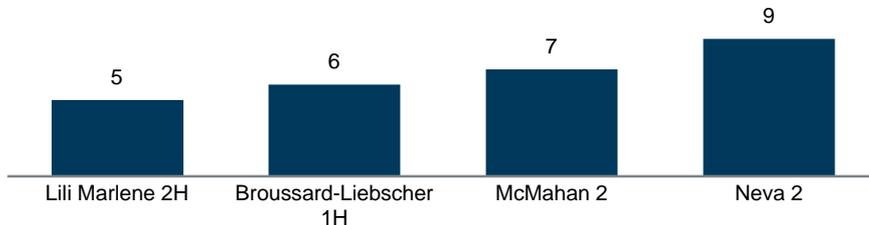
## Giddings Asset Overview

- Emerging, high-growth asset with extensive inventory potential and significant development flexibility
  - ~344,384 net acres, 99%+ HBP and ~87% operated, 10.2 Mboe/d Q1 2018 production<sup>(1)</sup> (29% oil, 55% liquids)
- HBP nature of asset allows for systematic delineation and optimization of play while staying within asset cash flow
- Modern high-intensity completions have resulted in a step-change improvement in well performance
  - The first four wells have had average IP30s of 1,597 boe/d and average IP60s of 1,771 boe/d
- At least 1,000 locations based on conservative spacing assumptions
  - 1 rig program planned for 2018 and 2 rig program planned for 2019

## Lease Map



## Estimated Well Payouts<sup>(2)</sup> (Months)



Source: EnerVest.

## Selected Recent Well Results<sup>(3)</sup>

	WELL NAME	OPERATOR	FIRST PROD	LAT LENGTH	IP30 (BOE/D)	% OIL	IP30/1,000'
1	Winkelman 1H	WILDHORSE	Q4 2017	4,765	1,863	32%	391
2	Broussard-Liebscher 1H	ENERVEST	Q1 2018	5,243	1,777	59%	339
3	Lili Marlene 2H	ENERVEST	Q1 2018	5,355	1,789	67%	334
4	Neva 2	ENERVEST	Q4 2017	4,715	1,439	31%	305
5	McMahan 2	ENERVEST	Q4 2017	4,774	1,381	34%	289
6	Breitkruetz 1H	GEOSOUTHERN	Q4 2017	5,604	765	71%	137
7	Kristoff 1H	GEOSOUTHERN	Q4 2017	6,084	603	57%	99
8	Loughnane 1H	GEOSOUTHERN	Q2 2017	5,646	463	68%	82
9	Osina 1H	GEOSOUTHERN	Q4 2017	6,456	525	69%	81

Source: IHS, EnerVest, Company Filings.

**With significant scale and HBP position, Giddings offers a unique opportunity to develop an emerging play while remaining within cash flow**

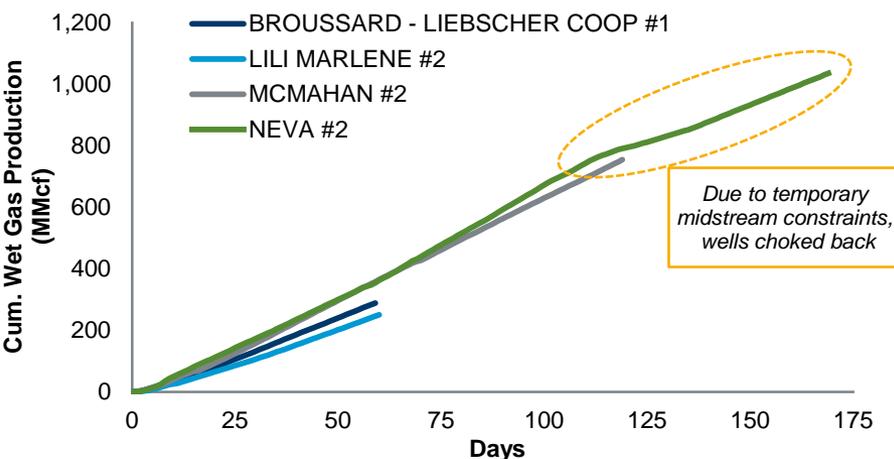
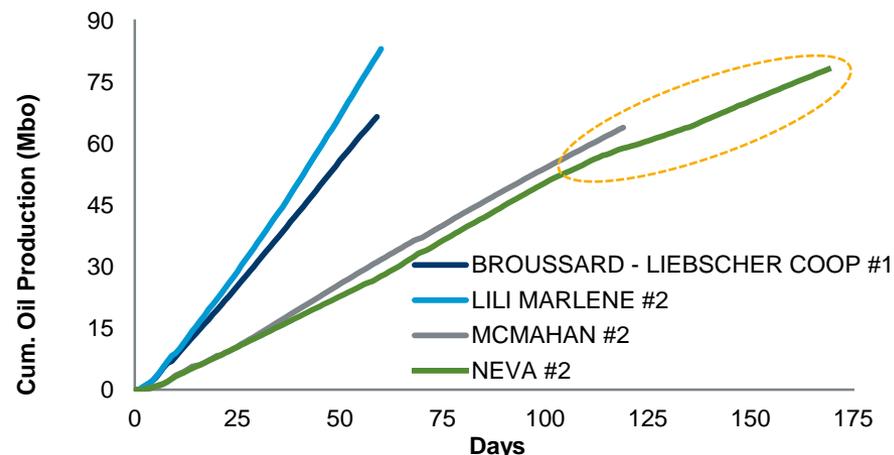
(1) Q1 2018 estimated production based off unaudited lease operating statements.

(2) Payout from first production.

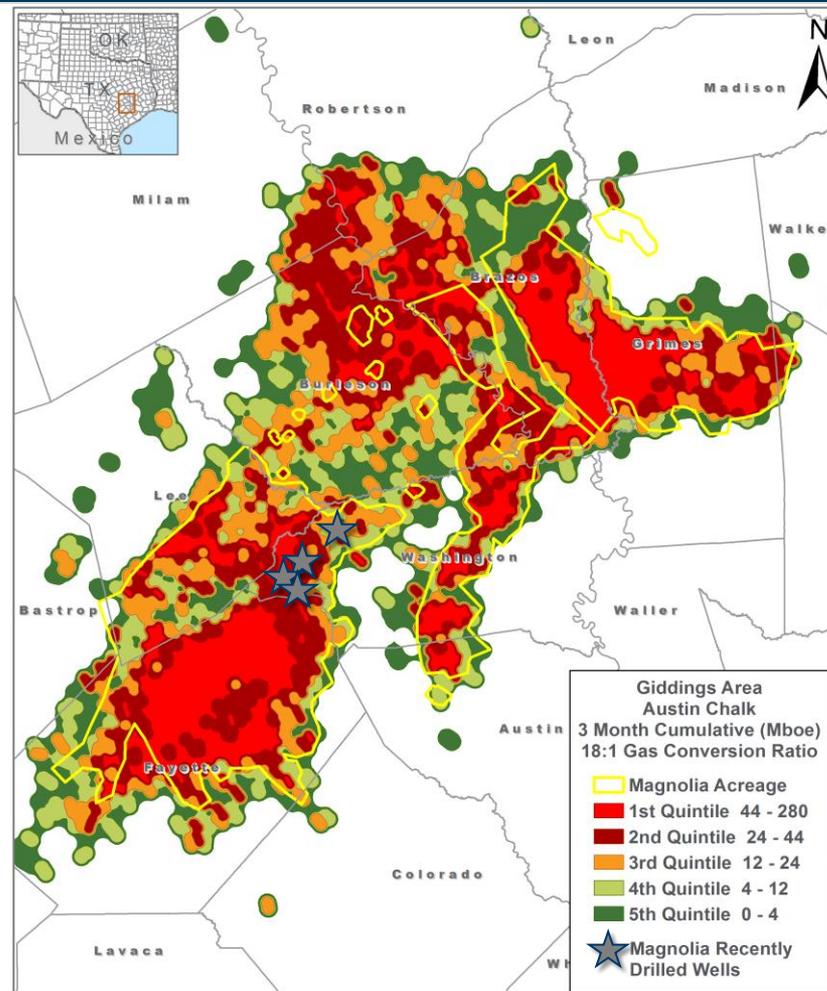
(3) Recent Giddings area Austin Chalk well results with >30% oil cut as of March 20, 2018.

# Giddings – Early Results Indicate Large Development Potential

## Recent Giddings Results



## Magnolia Giddings Footprint



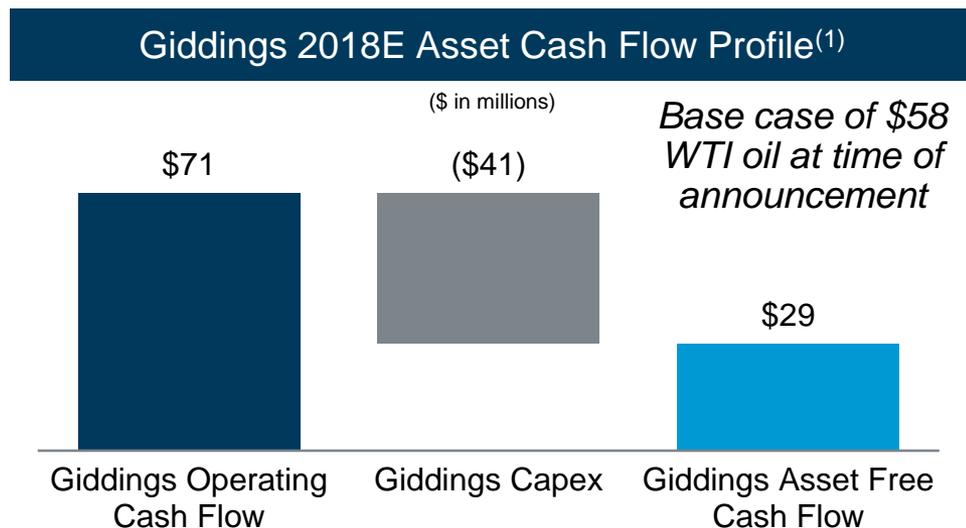
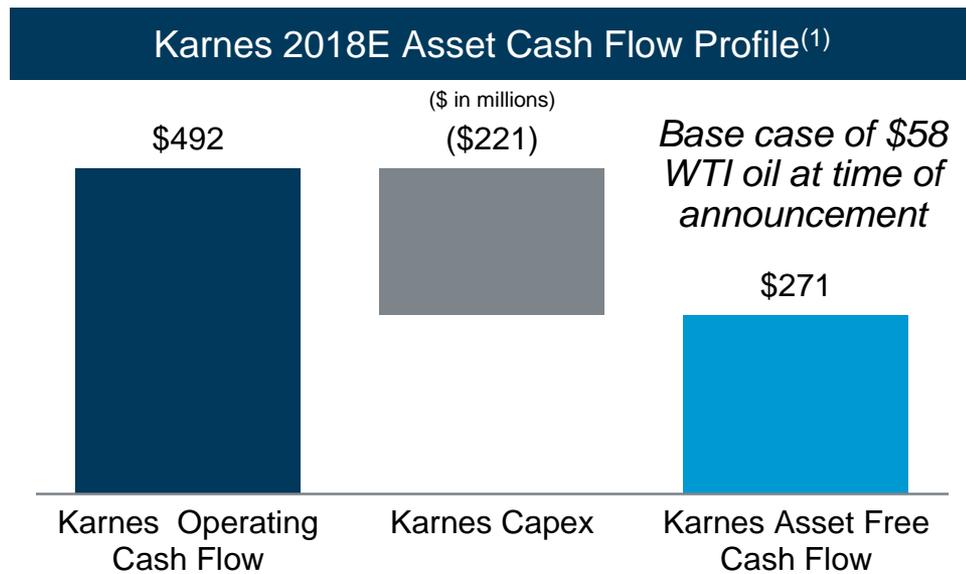
Source: IHS Enerdeq.

**Application of modern high intensity slickwater completions have unlocked significant reserves previously thought inaccessible**

Note: Giddings Results shown on a Gross Pre-Royalty Basis.

# Magnolia Asset Summary – Free Cash Flow Positive Assets

- High quality assets allow for two self sustaining operating areas
  - Karnes County
    - World class asset that generates substantial free cash flow
    - Engine to fund inorganic growth via acquisitions or to accelerate drilling
  - Giddings
    - Emerging, high growth assets with substantial upside
    - Impressive results to date by EnerVest and other surrounding operators
    - Asset greater than 99% HBP and ~85% operated will allow Magnolia to control development pace and cash flow profile
- **High margin asset and large PDP base will allow Magnolia to execute drilling program over the commodity price cycle**



Note: Projections based on flat \$58 WTI and \$2.75 Henry Hub pricing and include recent acquisition. See preliminary merger proxy filed May 10, 2018 and the investor presentation posted to TPGE's website on March 20, 2018 for base case financial details.

(1) All projections shown are at the asset level and do not include G&A or Workover/Other.

# Magnolia to Partner with EnerVest to Operate Assets

## Total EnerVest Organization

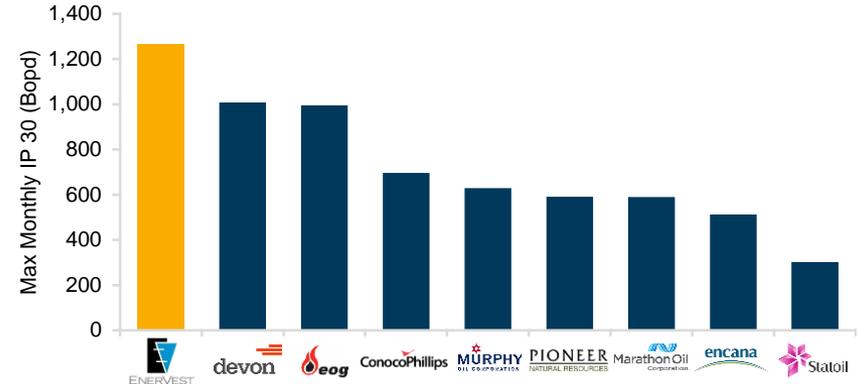
- 1,165 employees
- 5 operating divisions
- ~975 MMcfe/d production as of March 2018
- 138,000 leases and 250,000 revenue checks annually

## EnerVest South Texas Division (to be acquired by Magnolia)

- Among the lowest cost operators in South Texas
- EnerVest operated Eagle Ford wells have among the highest IPs in Karnes County
- Currently operate ~1,200 wells in South Texas
- More than 1 million man hours without a Lost Time Accident (LTA)

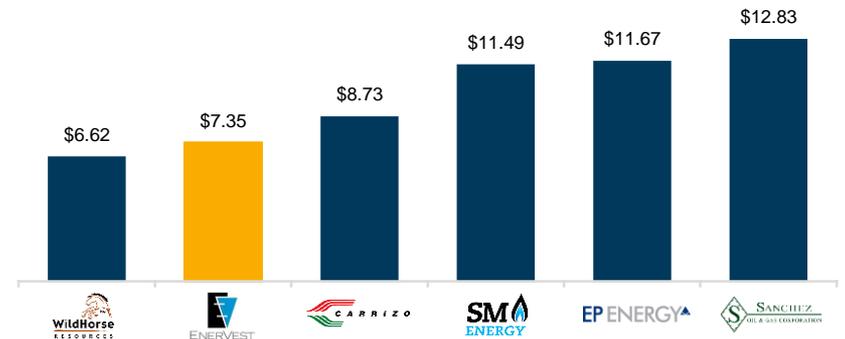
## Karnes County Eagle Ford 30-Day IP<sup>(1)</sup> (Bopd)

# of Wells: 35 29 154 54 43 76 340 103 48



Source: PLS PetroScout.

## South Texas Asset Level Operating Cost<sup>(2)</sup> (\$/Boe)



Source: Company Filings.

**EnerVest is the one of the largest operating companies in the U.S. with 36,000+ wells across 8 million acres and producing 930 MMcfe/d**

Note: EnerVest Organization and South Texas Division statistics are as of YE 2017.

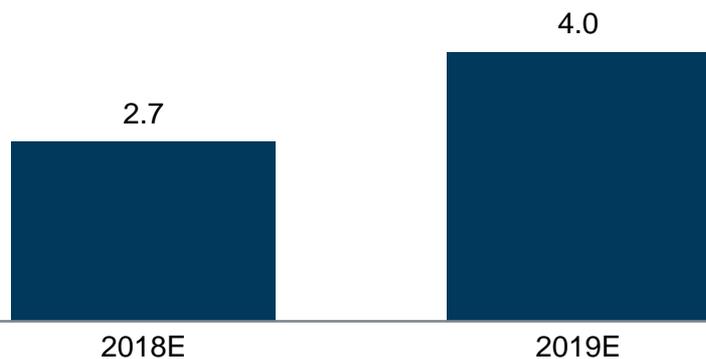
(1) 30-Day IP represents max month volumes. Includes data from active producing wells since January 2015. Excludes operators with less than 10 wells.

(2) Defined as the sum of lease operating expense, gathering and transportation expense, and production taxes, as of 3Q17.

# Production with Free Cash Flow Generation in 2018+

## Conservative Rig Program

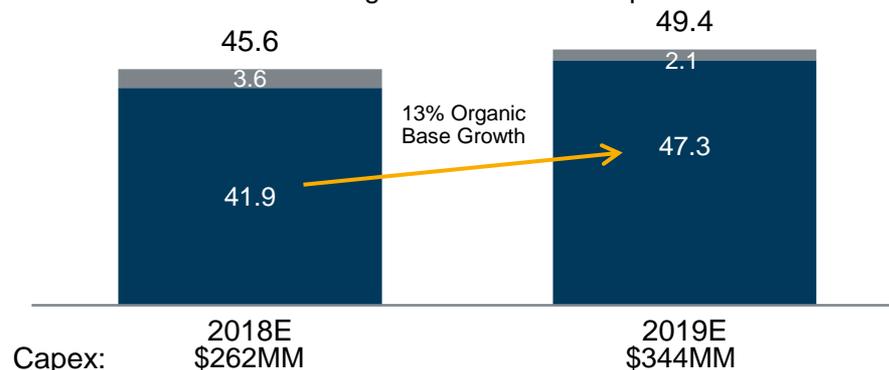
(Rigs)



## Significant Production Online

(Mboe/d)

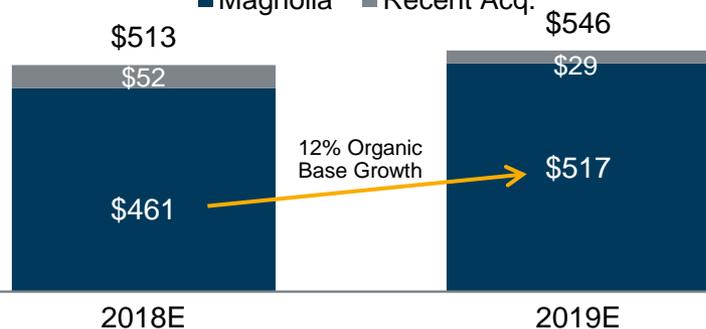
■ Magnolia ■ Recent Acq.<sup>(1)</sup>



## Substantial EBITDA Generation

(\$ in millions)

■ Magnolia ■ Recent Acq.<sup>(1)</sup>

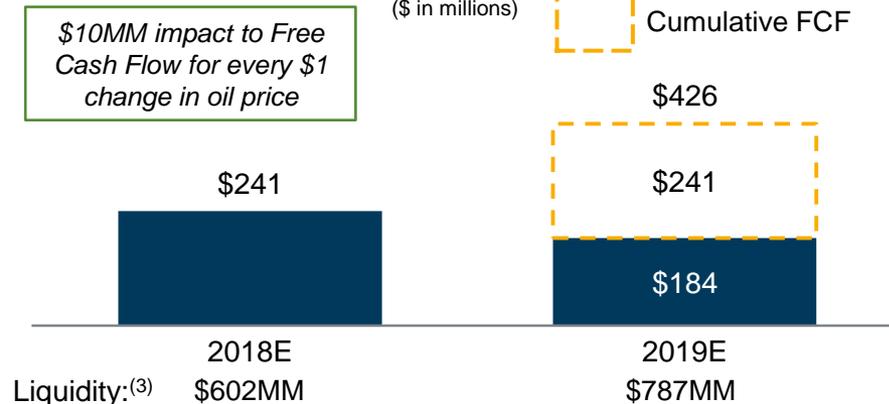


Base case of \$58 WTI oil at time of announcement

## Material Free Cash Flow Generation<sup>(2)</sup>

(\$ in millions)

Cumulative FCF



## Unique combination of production growth and strong free cash flow

Note: Projections based on flat \$58 WTI and \$2.75 Henry Hub pricing and include recent acquisition. See preliminary merger proxy filed May 10, 2018 and the investor presentation posted to TPGE's website on March 20, 2018 for base case financial details.

(1) Recent acquisition by EnerVest closed at end of February 2018 with a 2/1/2018 effective date.

(2) Free cash flow calculated as EBITDA – capex – cash interest – cash taxes. Assumes \$300 million Senior Notes outstanding with 6.5% interest rate.

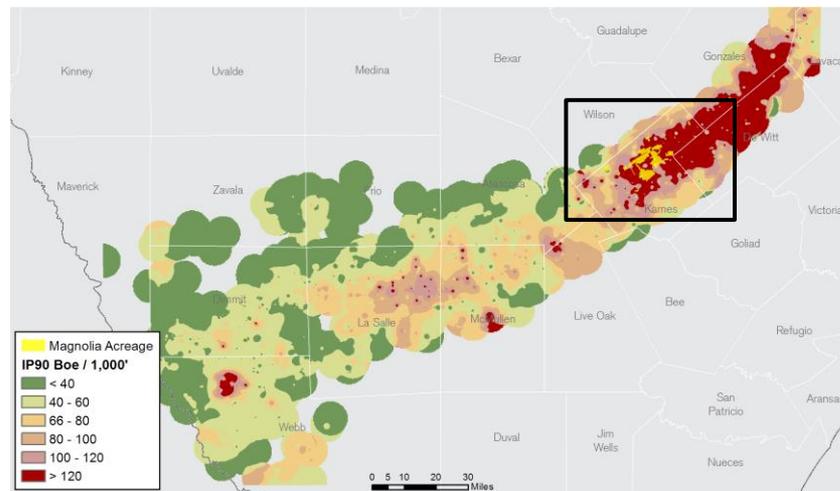
(3) Assumes \$500 million undrawn RBL borrowing base.

# Karnes County – Core Eagle Ford and Austin Chalk

## Karnes Overview

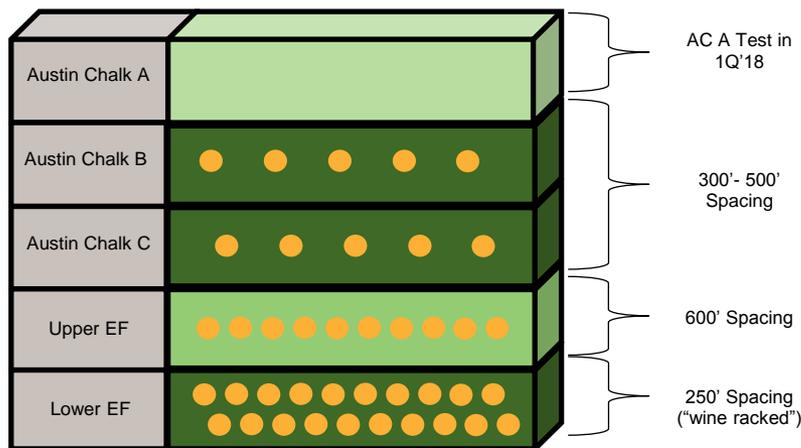
- 14,070 net acres (28,886 gross acres)
  - 65% operated (86% WI in operated sections); 88% HBP
  - 100% of the acreage is prospective for both Eagle Ford and Austin Chalk
- Current production: 31 Mboe/d (73% oil)
- 106 operated Hz wells in 4 different benches
- Plan to run 2 rigs starting in June 2018

## Eagle Ford Play Heat Map



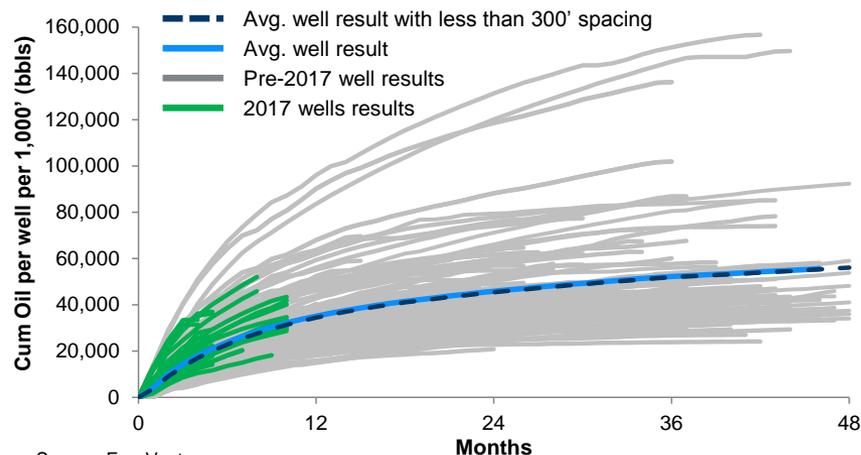
Source: IHS Performance Evaluator.

## Karnes Well Spacing



(1) Dataset contains all Lower Eagle Ford wells in which EnerVest has working interest.

## Lower Eagle Ford Well Performance<sup>(1)</sup>



Source: EnerVest.

# Illustrative Fully Diluted Share Count

Share Counts in Millions	Illustrative Share Price								
	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00	\$16.00	\$17.00	\$18.00
TPGE - Public IPO Shares	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0
TPGE - Public PIPE Shares	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5
TPGE - Sponsor Shares	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3
TPGE - Warrants <sup>(1, 2, 3)</sup>	0.0	0.0	1.3	3.7	5.7	7.4	8.9	10.2	11.4
Seller Shares <sup>(4)</sup>	119.4	119.4	119.4	119.4	119.4	119.4	119.4	119.4	119.4
Earn-out Shares <sup>(5, 6, 7)</sup>	0.0	0.0	0.0	4.5	9.0	13.0	13.0	13.0	13.0
Non-Compete Shares <sup>(8, 9, 10)</sup>	0.0	0.0	0.0	0.0	2.0	4.0	4.0	4.0	4.0
<b>Total</b>	<b>236.2</b>	<b>236.2</b>	<b>237.5</b>	<b>244.3</b>	<b>252.8</b>	<b>260.6</b>	<b>262.1</b>	<b>263.4</b>	<b>264.6</b>

(1) Assumes treasury share method for warrants.

(2) 21.7 million public warrants issued as part of IPO with strike price of \$11.50 and redemption price of \$18.00.

(3) 10 million sponsor warrants issued as part of IPO with strike price of \$11.50.

(4) Seller share count assumes 1H of 2018E free cash flow of \$131 million is used to reduce purchase price.

(5) Earn-out Shares Tranche 1 – Closing sales price equals or exceeds \$12.50 for 10 trading days out of 20 consecutive Trading Days prior to 12/31/2020 or if Magnolia achieves 2018 EBITDA of \$565MM and 2018 FCF of \$275MM. If either condition is met, 4.5 million shares will vest immediately.

(6) Earn-out Shares Tranche 2 – Closing sales price equals or exceeds \$13.50 for 10 trading days out of 20 consecutive Trading Days prior to 6/30/2021 or if Magnolia achieves 2019 EBITDA of \$600MM and 2019 FCF of \$225MM. If either condition is met, 4.5 million shares will vest immediately.

(7) Earn-out Shares Tranche 3 – Closing sales price equals or exceeds \$14.50 for 10 trading days out of 20 consecutive Trading Days prior to 12/31/2021. If condition is met 4 million shares will vest immediately.

(8) Non-Compete Tranche 1 – Closing sales price equals or exceeds \$13.50 for 10 trading days out of 20 consecutive Trading Days within 4 years post closing. If the condition is met, 2 million shares are issued at the later of (i) 2.5 years after the Closing Date and (ii) the date the condition is met.

(9) Non-Compete Tranche 2 – Closing sales price equals or exceeds \$14.50 for 10 trading days out of 20 consecutive Trading Days within 4 years post closing. If the condition is met, 2 million shares are issued on the 4<sup>th</sup> anniversary of the Closing date.

(10) Non-Compete Tranches 1 & 2 – Consideration is compensation in exchange for a non-compete in specified counties in South Texas. The non-compete is in place for the longer of 4 years or as long as EnerVest is still providing contract services for Magnolia. A portion of the non-compete shares will be dedicated for the economic benefit of EnerVest employees dedicated to Magnolia.