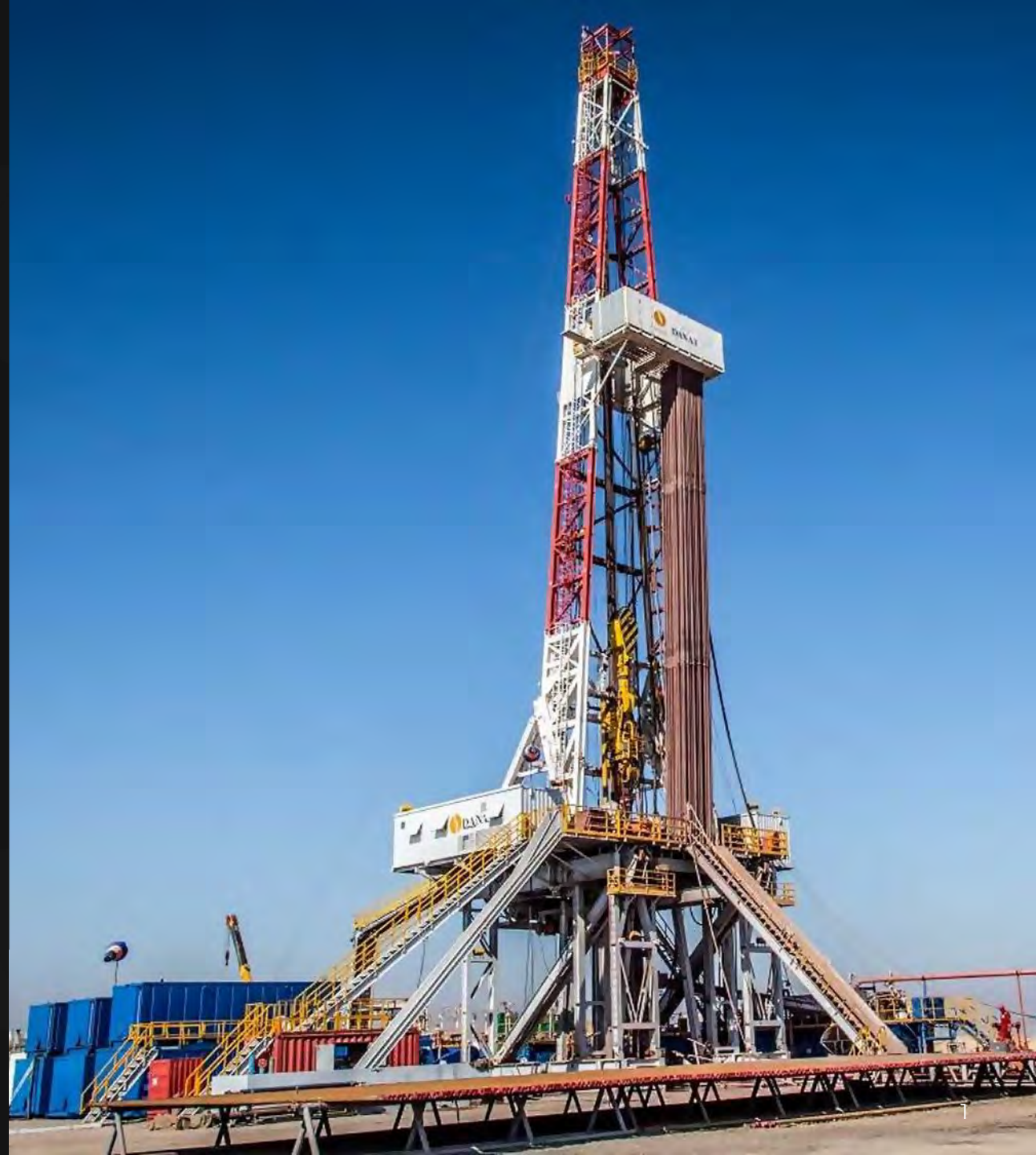




Oil & Gas Opportunity Zone Fund

NOVEMBER 2020

Chris Cook
ccook@eliteoppfund.com



OVERVIEW



OPPORTUNITY

\$500 billion

in mineral & royalty interests held by individuals. \$200 billion in Texas alone.

TIMING

6-12 months

to acquire minerals & royalties at severely depressed rates.

STRATEGY

10 years

of tax-free capital gains on oil & gas producing assets in Qualified Opportunity Zones.

TARGETS

176,076

individual mineral & royalty owners identified in the first four target QOZs in Texas.

EOF EDGE

soon, fast, nimble

from continuous digital tapestry of assets, rapid seller analysis, active community inclusion.

TEAM

85+ years

of oil & gas portfolio management, private equity funds, high-growth companies.

ROADMAP

focus on the buy

to pay back initial investment in 4 years, then enjoy tax-free capital gains increase.

STRUCTURE

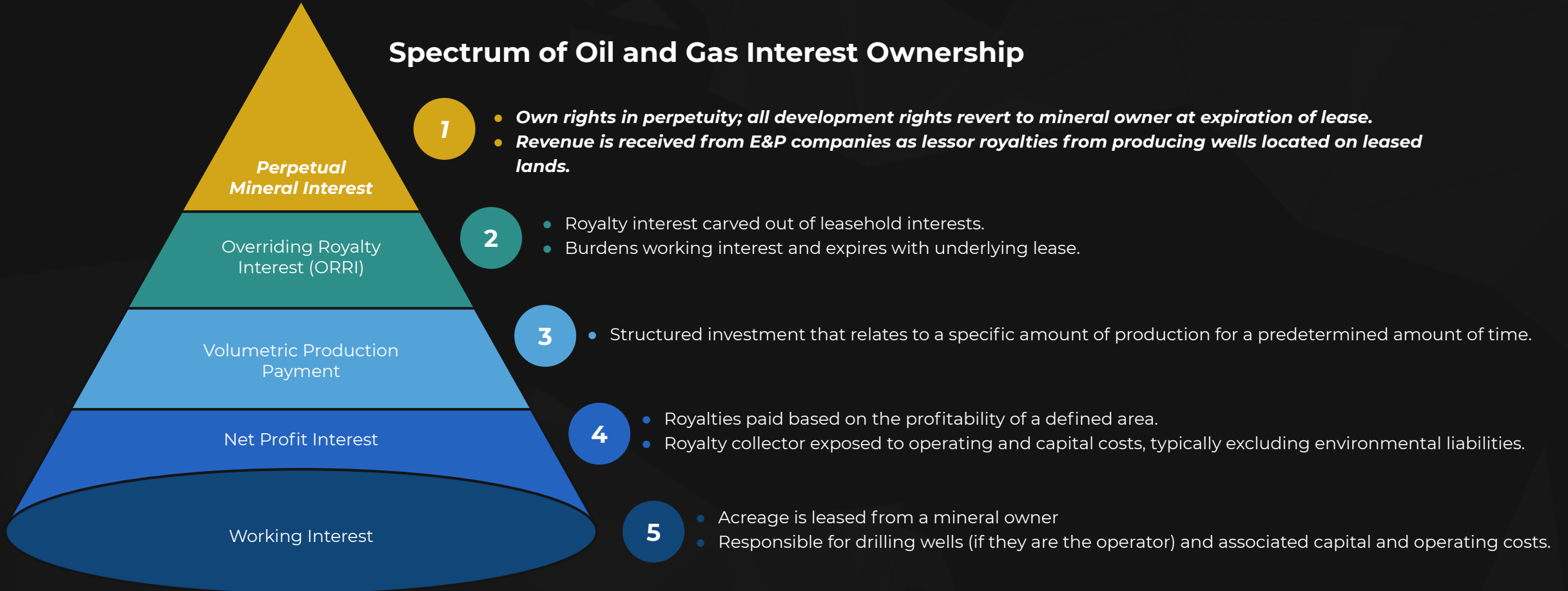
75% boost

in after-tax returns if capital gains invested in EOF QOZ fund vs non-QOZ fund.

INTRODUCTION TO MINERALS & ROYALTIES



Spectrum of Oil and Gas Interest Ownership



Minerals provide the greatest form of protection available in the oil industry due to their perpetual ownership and priority claims with the right to first-dollar-out.

INVESTMENT TIMING



The confluence of three powerful trends has created the right asset in the right structure at the right time.

This is an opportunity not seen in the US oil & gas industry since 1981, when Apache created the first Master Limited Partnership.

ASSET

Large oil & gas mineral funds need to buy in order to grow.

High growth: public mineral & royalty funds have grown from \$2 billion in 2015 to over \$15 billion today, with an estimated 30% growth rate going forward.

High demand: these institutions are willing & able buyers of aggregated mineral & royalty interests, creating a natural exit for EOF's portfolio.

STRUCTURE

QOZs enable investors to defer, reduce, & eliminate taxes.

Tax deferral: payment of the capital gains tax on the original investment is deferred until December 31, 2026.

Tax reduction: 10% step-up in basis reduces capital gains tax after 5 years.

Tax elimination: zero capital gains tax on profits made in EOF after 10 years.

TIMING

Independent oil & gas mineral owners need to sell to counter COVID-19 damage.

Oil drop: global demand destruction from COVID-19 lockdowns has caused a low point in the oil & gas commodity cycle.

Minimal income: royalty checks for many individual mineral owners are down 50% to 100% (shut-ins), resulting in a substantial loss of income.

Taxes due: federal and property tax bills are coming due for last year's record royalty income generation.

INVESTMENT OPPORTUNITY



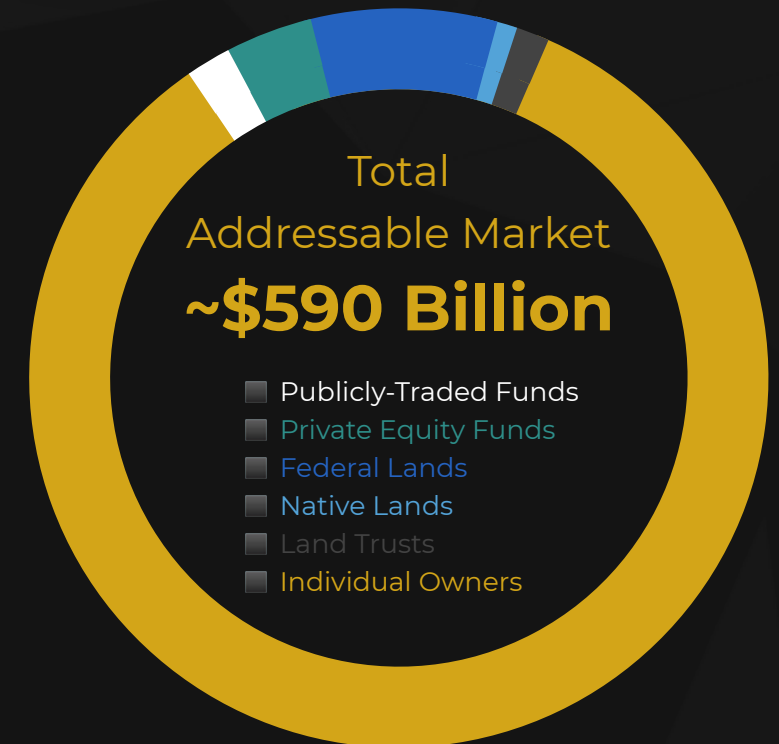
Time the Entry: tap into a market of stressed sellers in a highly inefficient, fragmented, but diversified market by providing liquidity at the right time.

Build the Base: construct a portfolio of hard assets that are uncorrelated to the market with no future capex burden and an income stream that is prioritized above senior secured debt.

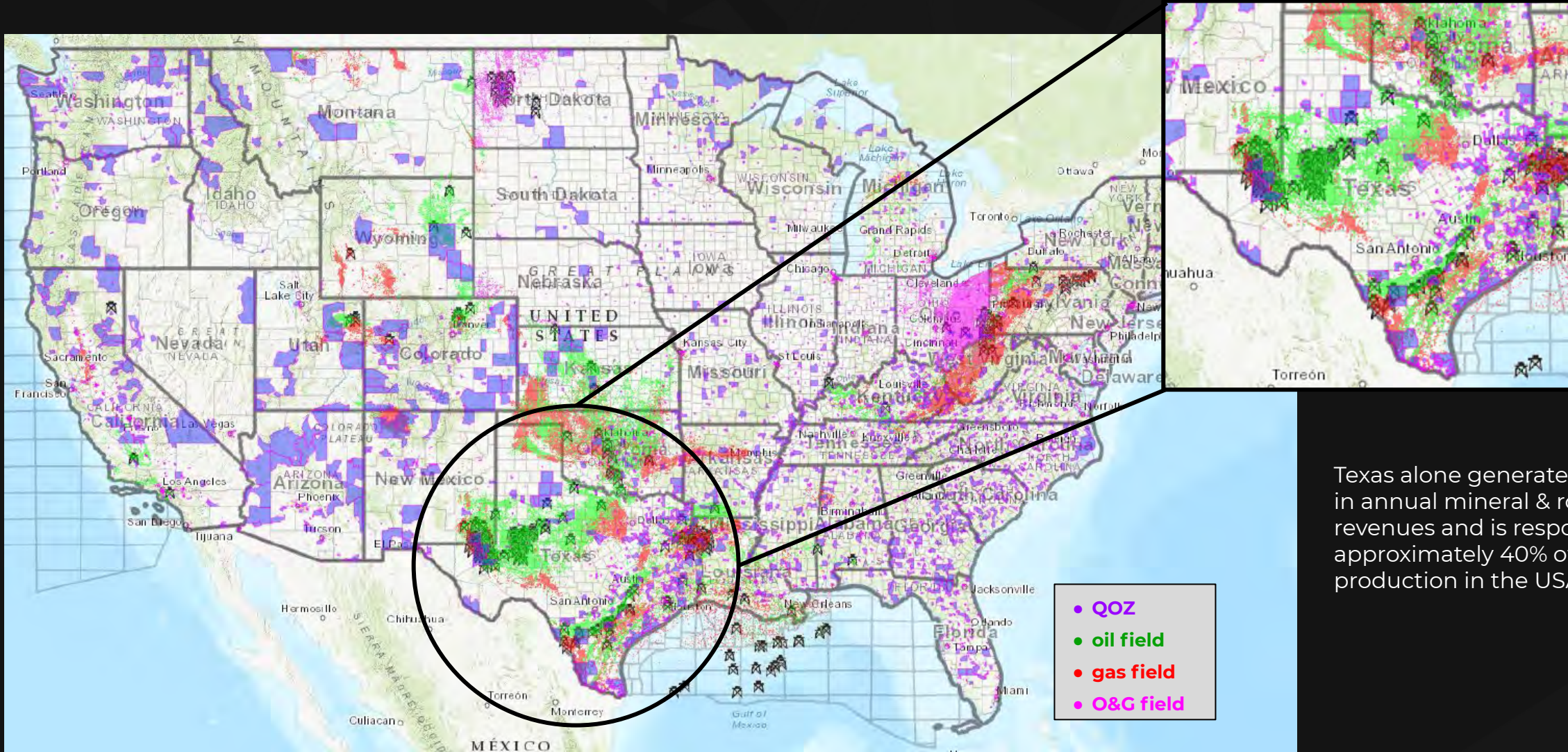
Ensure Liquidity: underwrite purchases to ensure that existing production pays back initial investment in less than 4 years, while maintaining upside capital gains exposure from future wells and commodity price recovery.

Time the Exit: sell portfolio asset combinations tax free after 10 years at 3-6x to publicly-traded mineral and royalty funds in need of continuous cash flow replenishment.

U.S Onshore Minerals & Royalties



INVESTMENT TARGETS



Texas alone generates \$20 billion in annual mineral & royalty revenues and is responsible for approximately 40% of all oil production in the USA.

OIL & GAS INDUSTRY STRUCTURE

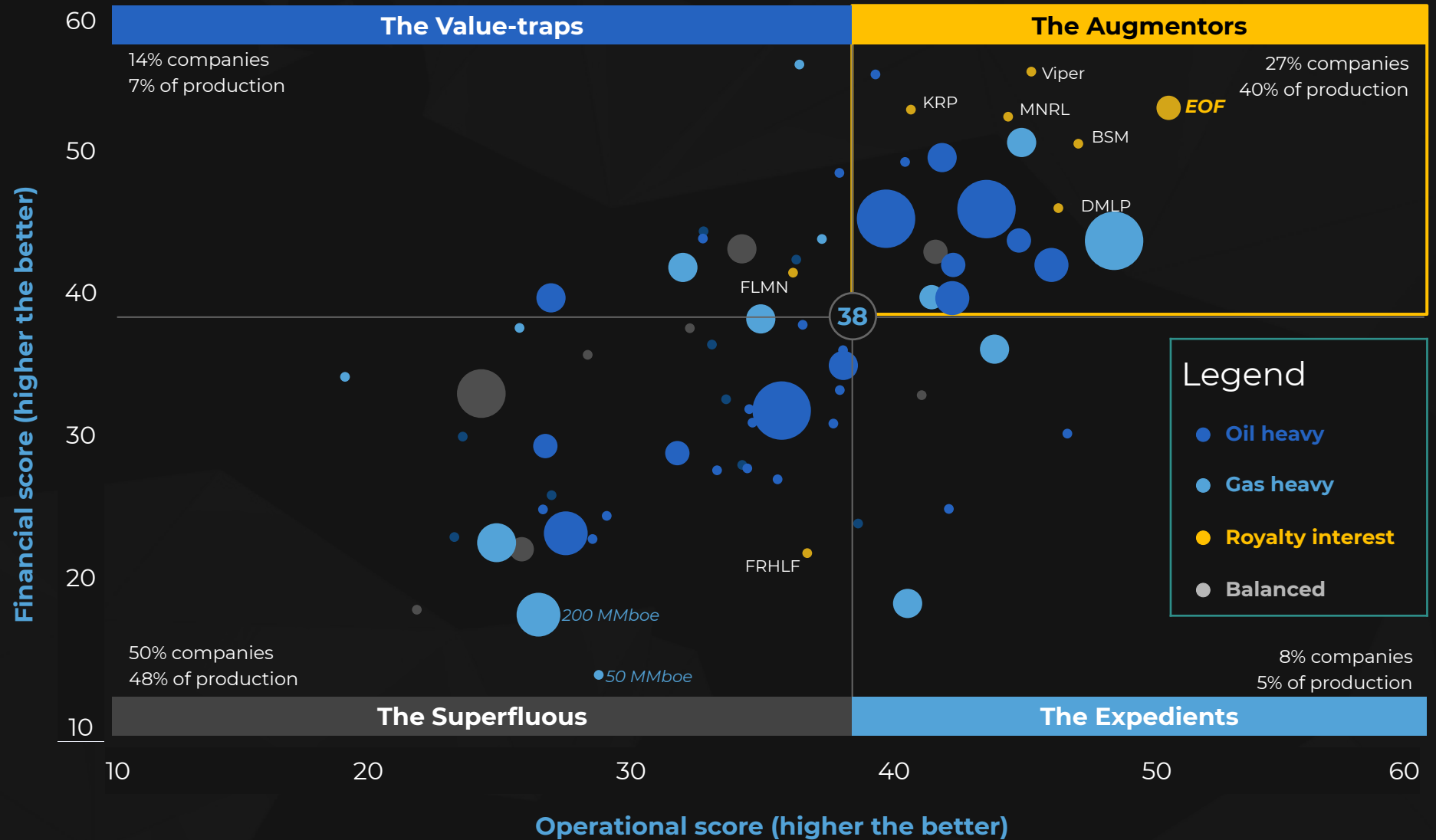


Unlike in previous downturns, traditional E&P companies now have little room to maneuver as low commodity prices, reduced demand, capital constraints, debt loads, and COVID-19 health impacts have all hit at the same time.

This leaves companies in Superfluous and Value Traps with no way out except bankruptcy or merger with stronger player (large E&P Augmentors).

The Expedients are strong, but investing in them is like catching a falling knife.

The M&R Augmentors are the natural consolidators of the highly fragmented private minerals market.

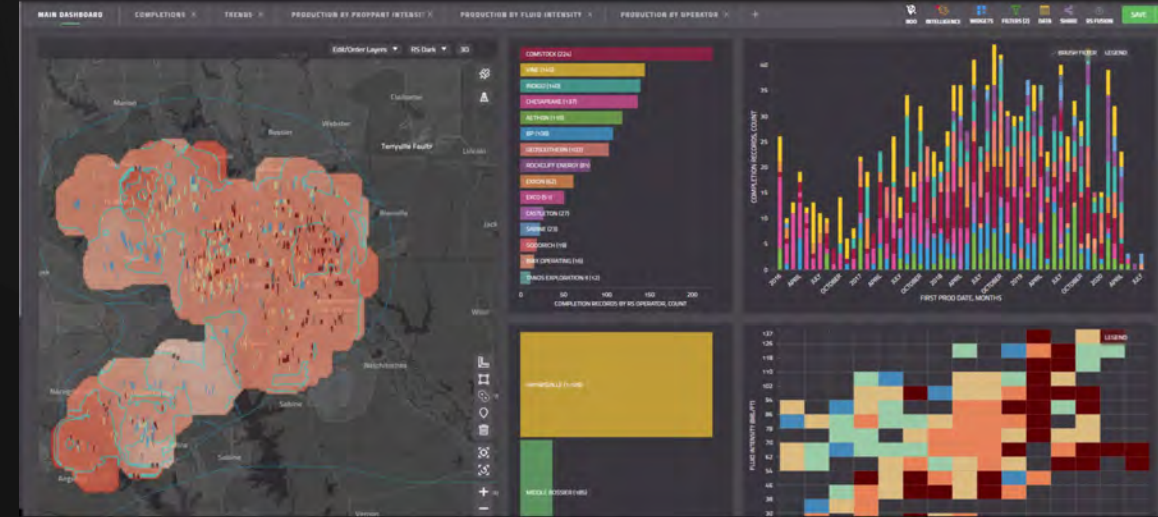




EOF outflanks the big dogs

EOF maintains a digital tapestry of all relevant on-the-ground activities in a target area.

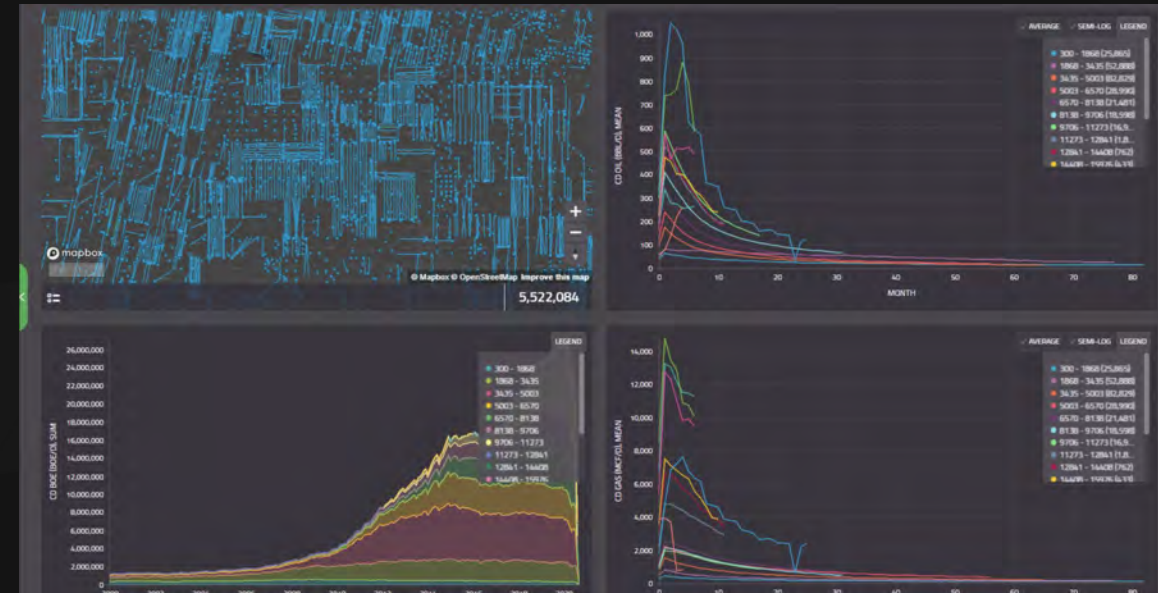
We know more, sooner.



EOF outstrikes the small dogs

EOF taps into a readily-available pool of capital to close deals in 5-10 days instead of 30-45 days.

We bid accurately, faster.

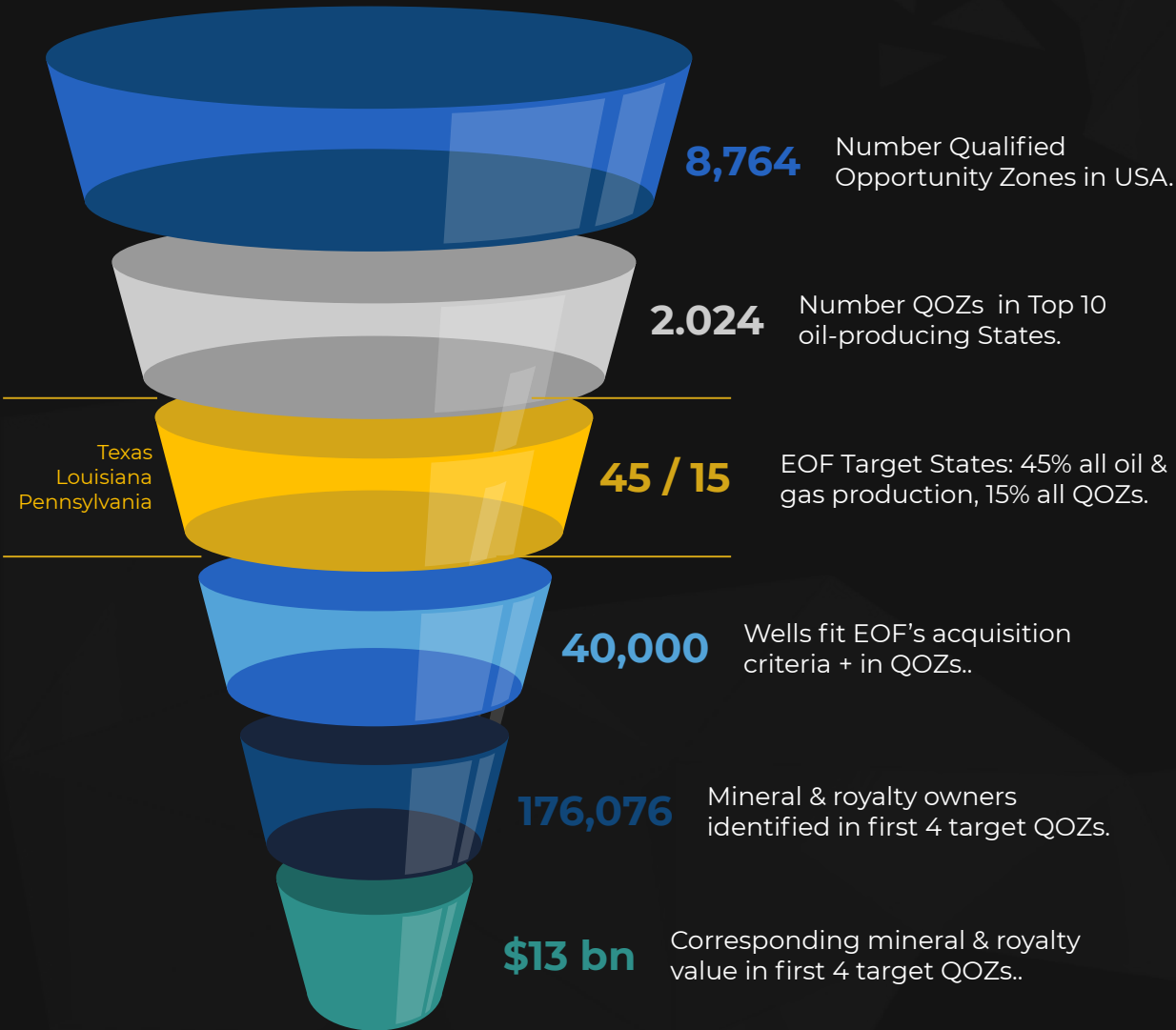


EOF improves the communities

EOF focuses solely on Qualified Opportunity Zones to ensure the creation of new jobs, and provide liquidity.

We team up, nimbler.

INVESTMENT STRATEGY



Derisked Investment Assets



Commodity Prices

The extraordinary circumstances of COVID-19 have created temporary “bottom of the cycle” commodity prices.
Money is made on the buy.



Minerals & Royalties

The assets require no additional capex outlay, never expire, and increase in value the fastest with a market recovery.
Money is made on the sell.

Active Portfolio Management



Portfolio Build

Use of modern data science techniques enable faster & more accurate asset evaluations.



Portfolio Management

Team of experienced oil & gas asset managers and fund managers enables better portfolio construction.



Portfolio Exit

Application of Qualified Opportunity Zone tax structure enables more competitive purchase pricing.

INVESTMENT TEAM



Christopher Cook

Director of Acquisitions

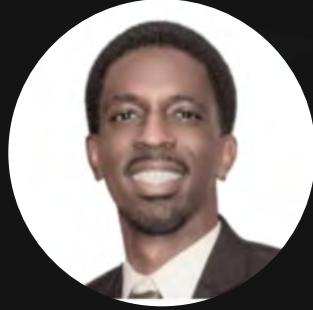
40+ years in oil exploration, production, turnaround, M&A.

Portfolio Manager Fort Trinidad Investors

Independent Landman & Consultant 22 years, supervising land acquisition teams, developed A&D programs for royalties and leases, Texas Railroad Commission recognized expert

Land Negotiator for BP / Amoco – 20 years

BBA in Petroleum Land Management, University of Texas at Austin, 1981



Brandon L. Groover

Director of Business Development

10+ years in entrepreneurship, trade, services.

Florida State Director Opportunity Fund Task Force.

Founder JITA (trade with USA, China, Japan, Singapore, India, Canada, Vietnam).

Founder Elite Home Health (nursing, physical/speech/occupational therapy).

Medical Radiologic Technology, Florida State.



Robert Samuels

VP of Operations

10+ years in music, sports, alternative investments, and high-growth operations.

Founder & CEO of sports tech startup (successful exit after years)

BA in Sociology, University of Maryland. Masters in Finance, Harvard University.



Patrick Hoogendijk

Advisor, Blue Phi Capital

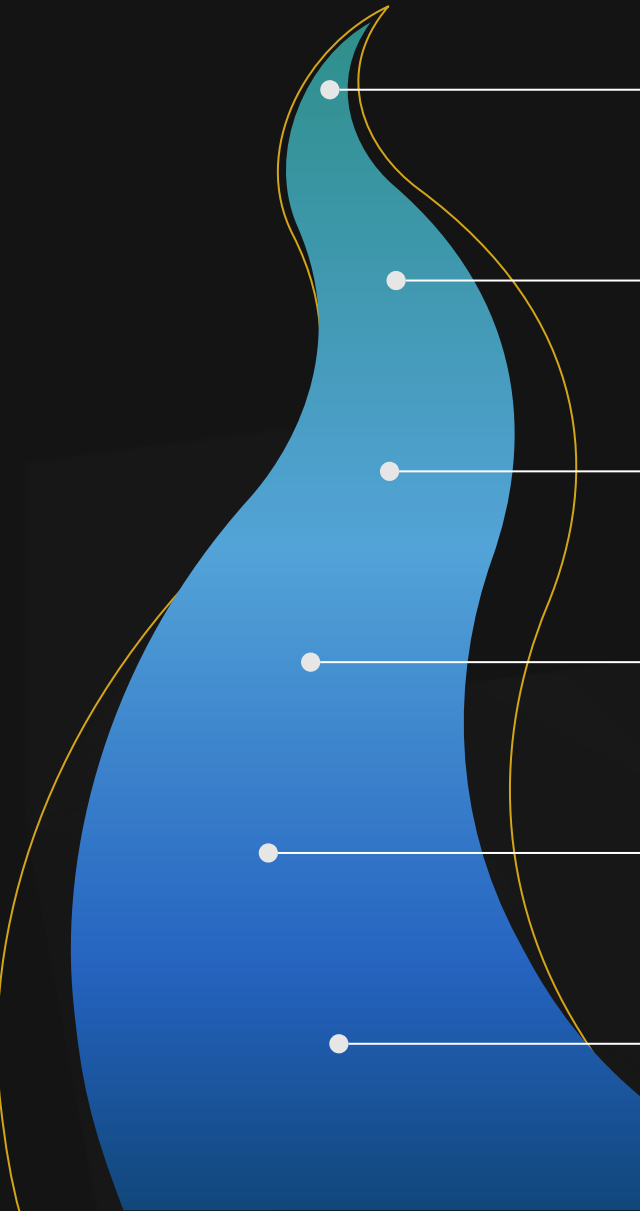
25+ years in private equity, venture capital, alternative investment fund operations.

Former CFO Oil & Gas IP Fund.

EIM Capital, CEA Advisors, Wethos.

Masters in Chemical Engineering, MBA New York University, Certified Financial Analyst.

INVESTMENT ROADMAP

A diagram on the left side of the slide, shaped like a flame, with a blue-to-teal gradient. It has six white dots along its left edge, each connected by a thin white line to a corresponding text block on the right.

Time of purchase: EOF underwrites asset purchases with the intent to recoup its initial investment in less than 4 years from ongoing sales of the existing oil & gas production (no new wells drilled).

Years 1-3: ongoing bank financing with existing assets as collateral, combined with additional equity investments as-needed enable EOF to continue purchasing assets.

Years 3-10: further development of the assets by the operator - more surface locations, wire rack drilling, and refracking - triggers cascading cash flows to EOF with no capex outlay.

Ongoing buys: Increases in oil and natural gas commodity prices may increase cash flows from existing wells, enabling further expansion of portfolio assets.

Ongoing sales: certain portfolio assets in specific locations may hit a premium price as E&P operators expand their drilling programs, enabling opportunistic one-off sales for EOF.

Year 10: ultimate sale of EOF portfolio to large, publicly-traded M&R fund at a potential multiple of 10-15x annual cash flows with zero taxation on capital gain for investors.

ACQUISITION & DIVESTITURE PROGRAM



NOW

TEXAS - Permian, East Texas, & Eagle Ford QOZs

1. Acquire distressed minerals & royalties at favorable prices via private sales, club deals, auctions, and brokered sales for next 12-18 months.
2. Make offers to pre-selected mineral & royalty owners in the core of the core of each field.
3. Activate on-the-ground scouting network in each QOZ to gather intelligence on E&P company movements.
4. Educate & inform local mineral & royalty owners on their liquidity options and EOF's willingness to buy at a fair price.

NEXT

LOUISIANA & PENNSYLVANIA - Haynesville & Marcellus

1. Redeploy cash flows into mineral & royalty assets in Louisiana and Pennsylvania QOZs using up to 50% leverage.
2. Rollover specific assets on tax-free basis into more QOZ mineral & royalty assets as they hit 75% or more of their expected total return.

LATER

CASH TO INVESTORS

Distribute cash as instructed by investors to either (a) pay taxes on deferred capital gain in 2026 for those that wish to roll majority of investment into new QOZs or (b) distribute full proceeds of investment in EOF .

FUND STRUCTURE



\$150 million

target AUM
(2021 hard-cap)

1.5% + 0.5%

anticipated
operating + transaction fees

Class A

Investor Shares
(80% fully-diluted)

Class F

Management Team Shares
(20% of fully-diluted)

\$250,000

individuals minimum

\$1,000,000

institutions minimum

Timelines & Service Providers

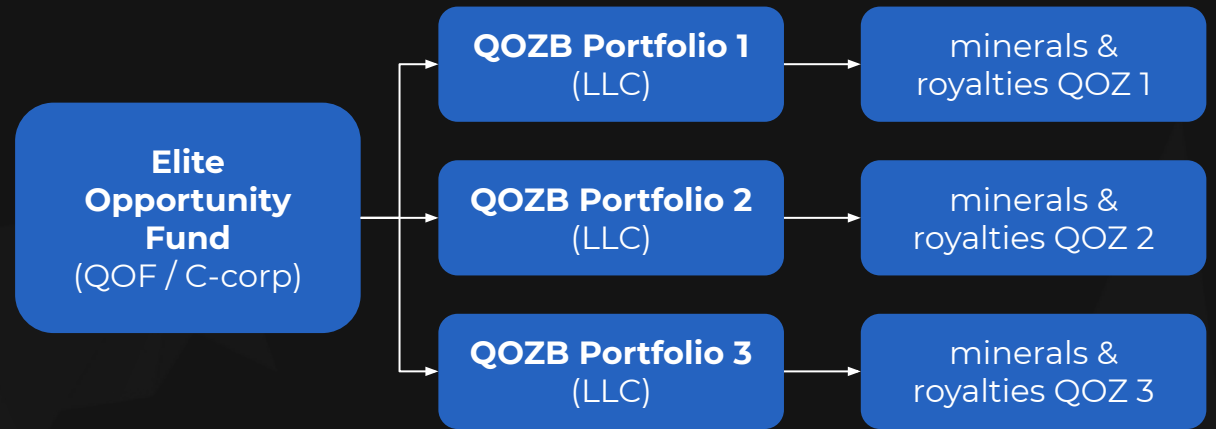
Accepting investments from November 1, 2020

Company Administrator NES Financial Services

Auditor TBD

Legal Counsel Duane Morris

Tax Compliance NES Financial Services



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