

LARGEST DOMESTIC ONSHORE
NEW FIELD DISCOVERY
IN OVER 30 YEARS



INVESTOR PRESENTATION

MARCH 2020

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- Cautionary Note to Investors Concerning Oil and Gas Reserve Estimates: The SEC permits oil and gas companies, in their filings with the SEC, to disclose only “Proved” reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. the company uses certain terms in this presentation such as “Probable” or “Possible” oil and gas reserves that are not recognized by the SEC and the Company cannot.

INVESTMENT HIGHLIGHTS

PERMIAN PURE PLAY

- Torchlight's strategy is to execute within the Permian Basin to swiftly and confidently create shareholder value through the development of its assets
- The Company has entered the Permian Basin at attractive valuations and is continually seeking to expand its acreage position within the basin

STRATEGICALLY DIVERSE

- The Company's high potential and diverse asset base provides a strong base for continual development
- Core assets are located in the Orogrande (Orogrande Project), Midland (Project Hazel) and Delaware Basins (Winkler Project) and each asset has multi-bench optionality
- Within the three basins, the Company expects to drill and complete wells in the Wolfcamp A, B, C, Upper and Lower Second Bone Spring, Third Bone Spring, and the Pennsylvanian in the Orogrande

CONSERVATIVE DEVELOPMENT PLAN

- The Company has completed extensive due diligence on each of its prospects prior to and since acquiring including, drilling scientific wells and performing modern shale logs, imaging logs and coring across its plays
- Torchlight expects to drill and complete over 6 gross wells (horizontal and vertical) this year across its three different projects to leverage on the potential increase in commodity prices and further increase underlying value of each project for future M&A or asset sales

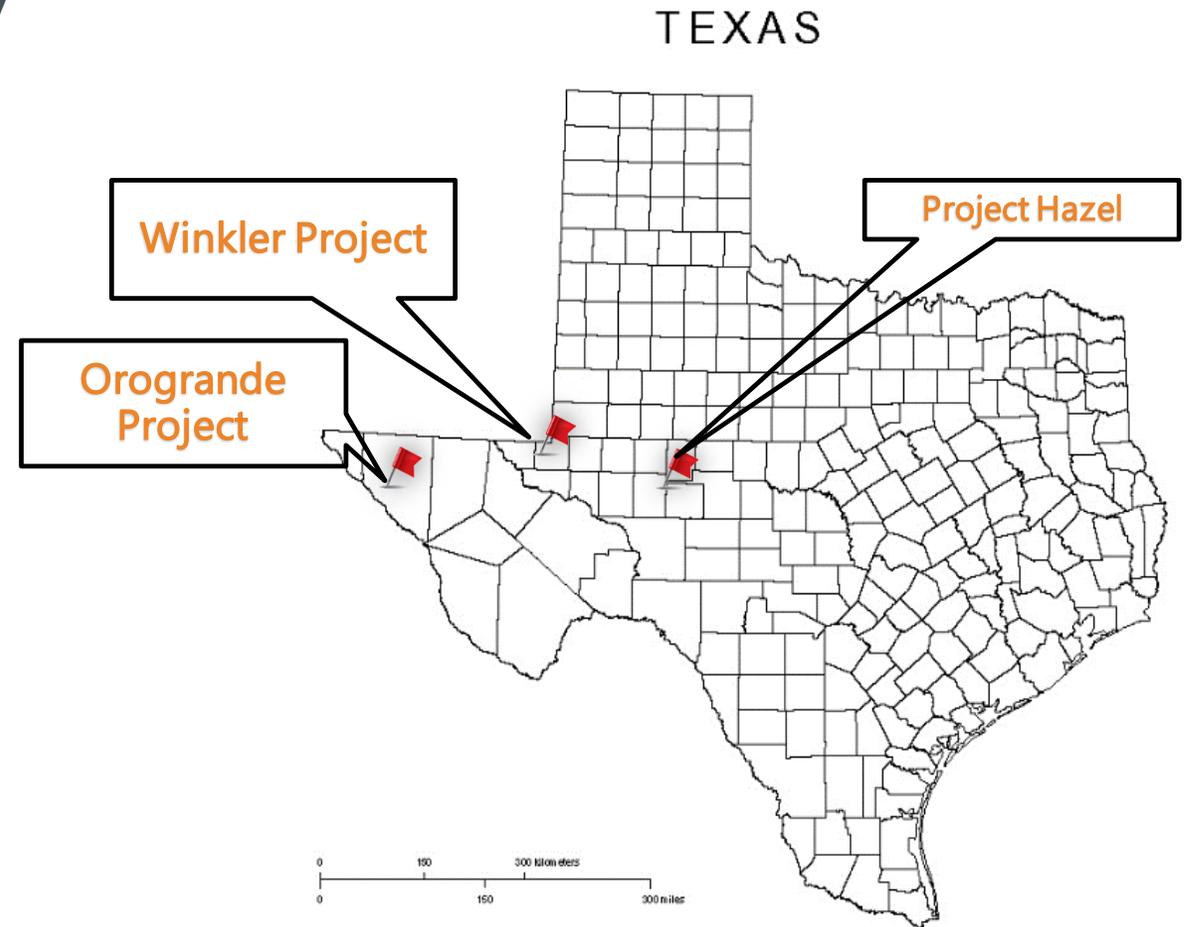
WELL-ESTABLISHED LEADERSHIP

- Leadership team has experience in exploring, operating, producing and financing oil and gas companies
- Rich Masterson, the Company's consulting geologist has deep domain experience in the Permian Basin and is responsible for leading acquisition, development, and technical efforts
- The team has experience with Anadarko, Chesapeake, Concho, Petrohawk/BHP, Occidental, Shell, Maverick, and McCabe Petroleum
- The leadership team is aligned with shareholders as there is collectively 27% insider ownership

TORCHLIGHT OVERVIEW

CORPORATE HIGHLIGHTS

- Focused on developing and producing Permian Basin assets, more specifically Orogrande
- Over 100,000+ net acres (not net effective, actual)
- 2019 - 2020 move to monetization of non-core assets and market the Company/Orogrande for sale to larger established public E&P (stock sale)
- **Near term strategy:**
 - Continue to define the Orogrande Projects potential and scalability
 - Hazel acreage being marketed to focus on Orogrande
 - Winkler acreage being monetized to focus on Orogrande



TORCHLIGHT SNAPSHOT

MARKET SUMMARY

Shares Outstanding	\$79.85 MM
Last Sale Price	\$.69
Market Cap	\$55.11 MM
52-Week Range	High: \$1.96/Low: \$.55
Share Float	73%
Insider Ownership	27%
Average Daily Volume	204,000 shares

PROJECT	GROSS ACRES	PARTNER(S)	2018-2020 D&C WELLS
Orogrande Project	134,000	Wolfbone Investments	5
Hazel Project	12,000	Private Family Offices	2
Winkler Project	1,000	Meco IV	1

MANAGEMENT TEAM

JOHN BRDA

Chief Executive Officer

President

Director

Mr. Brda has been our President and Secretary and a member of the Board of Directors since January 2012. He was promoted to CEO in December of 2014 with the exit of our co-founder Tom Lapinski. Mr. Brda, who also co-founded the Company, has been the Managing Member of Brda & Company, LLC since 2002, which provides consulting services to public companies—with a focus in the oil and gas sector. Core competencies include capital formation, equity and debt financings, strategic business development and securities regulation matters. With over 20 years of investment banking experience, including 5 years as a fund manager prior to becoming a consultant, Mr. Brda has the knowledge and experience to execute and ensure success for his client companies. Over that time, Mr. Brda, either originated, invested in, or placed over \$70 million in financings. He graduated college in 1988 with a B.S. in Finance from Southern Illinois University, Carbondale, IL.

ROGER N. WURTELE

Chief Financial Officer

Mr. Wurtele is a versatile, experienced finance executive that has served as Chief Financial Officer for several public and private companies. He has a broad range of experience in public accounting, corporate finance and executive management. Mr. Wurtele previously served as CFO of Xtreme Oil & Gas, Inc. from February 2010 to September 2013. Since May 2013 he has worked as a financial consultant for us. From November 2007 to January 2010, Mr. Wurtele served as CFO of Lang and Company LLC, a developer of commercial real estate projects. He graduated from the University of Nebraska and has been a Certified Public Accountant for 40 years.

RICH MASTERSON

Consulting Geologist

Originated the Hudspeth County Orogrande Prospect as well as the Wolfbone Unconventional Play in the Delaware Basin where he has prepared prospects totaling over 150,000 acres that have been leased, drilled and currently being developed by: TROX, Eagle Oil and Gas/Rosetta/Devon, Browning Oil/ J Cleo Thompson/OXY, CWEI/Noble, EXL/Samson, Piedra/Brigham, Atlantic Exploration/Centennial, Energen, Anadarko, Shell/Chesapeake, Arabella Exploration, Red Willow, Concho and Petrohawk/BHP. Rich has created numerous prospects and discoveries throughout the Permian Basin from 2500' TD to 17000' TD since he began his career as a Geologist with Texaco in 1974. Rich holds a BA in Geology from Trinity University in San Antonio, TX and is a member of the West Texas Geological Society.

BOARD OF DIRECTORS

GREGORY MCCABE *Chairman of the Board*

Mr. McCabe, from Midland, Texas, is an experienced geologist who brings over 32 years of oil and gas experience to the Company. He is a principal of numerous oil and gas focused entities including McCabe Petroleum Corporation, Manix Royalty, Masterson Royalty Fund, G-Mc Exploration. McCabe has been involved in numerous oil and gas ventures throughout his career and brings a vast experience in technical evaluation, operations and acquisitions and divestitures to the Torchlight Board. McCabe is Torchlight's largest shareholder and provided entry for the Company into its two largest assets, the Hazel Project in the Midland Basin and the Orogrande Project in Hudspeth County, Texas.

ALEXANDRE ZYNGIER *Director*

Mr. Zyngier founded Batuta Advisors in 2013 to pursue high return investment opportunities in the distressed and turnaround sectors. Mr. Zyngier has over 20 years of investment, strategy, and operating experience. He is currently a director of Atari SA, AudioEye, Inc. and a director of GT Advanced Technologies Inc. Mr. Zyngier has worked as a Portfolio Manager, investing in public and private opportunities, at Alden Global Capital, Goldman Sachs & Co. and Deutsche Bank Co. He was also a strategy consultant at McKinsey & Company and a technical brand manager at Procter & Gamble. Mr. Zyngier holds an MBA in Finance and Accounting from the University of Chicago and a BSc. in Chemical Engineering from UNICAMP in Brazil.

ROBERT LANCE COOK *Director*

Mr. Cook has more than 40 years of experience in the oil and gas industry where he held senior positions with Shell Oil as a Wells Engineer. Mr. Cook retired from Shell in 2016 after 36 years of service. He most recently held position as Chief Scientist for Wells and Production Technology. Mr. Cook helped conceive and develop the Sirius Well Manufacturing System (SWMS) JV; a Joint Venture company that builds specialized oilfield equipment for large scale development programs. Mr. Cook's role as Chief Scientist at Shell involved advising the Senior Executives on technical issues and working with leading internal and external scientists to help Shell stay at the forefront of energy technology innovation. During his career Mr. Cook has also been credited with over 100 oil and gas industry patents.

MICHAEL J. GRAVES *Director*

Mr. Graves is a Certified Public Accountant, and since 2005 he has been a managing shareholder of Fitch & Graves in Sioux City, Iowa, which provides accounting and tax, financial planning, consulting and investment services. Since 2008, he has also been a registered representative with Western Equity Group where he has worked in investment sales. He is also presently a shareholder in several businesses involved in residential construction and property rentals. Previously, he worked at Bill Markve & Associates, Gateway 2000 and Deloitte & Touche. He graduated Summa Cum Laude from the University of South Dakota with a B.S. in Accounting.

CONSULTING PARTNERS

**MICHAEL
ZEBROWSKI**
Consultant

Mr. Zebrowski has 43 years of experience in Geoscience Management for Amoco, Mitchell Energy & Development, and Hess Corporation. He has extensive management experience in on- and off-shore Conventional and Unconventional Hydrocarbon projects as well as leading exploration efforts; Mr. Zebrowski is a proven oil finder in the discovery of 40 oil and gas fields throughout his career. He is also a consultant with expertise in Management, Geology, Geophysics, Log Analysis, Petroleum Systems, Well Operations Economics, and Pore Pressure Global Hess Wells.

DANIEL ZEBROWSKI
Consultant

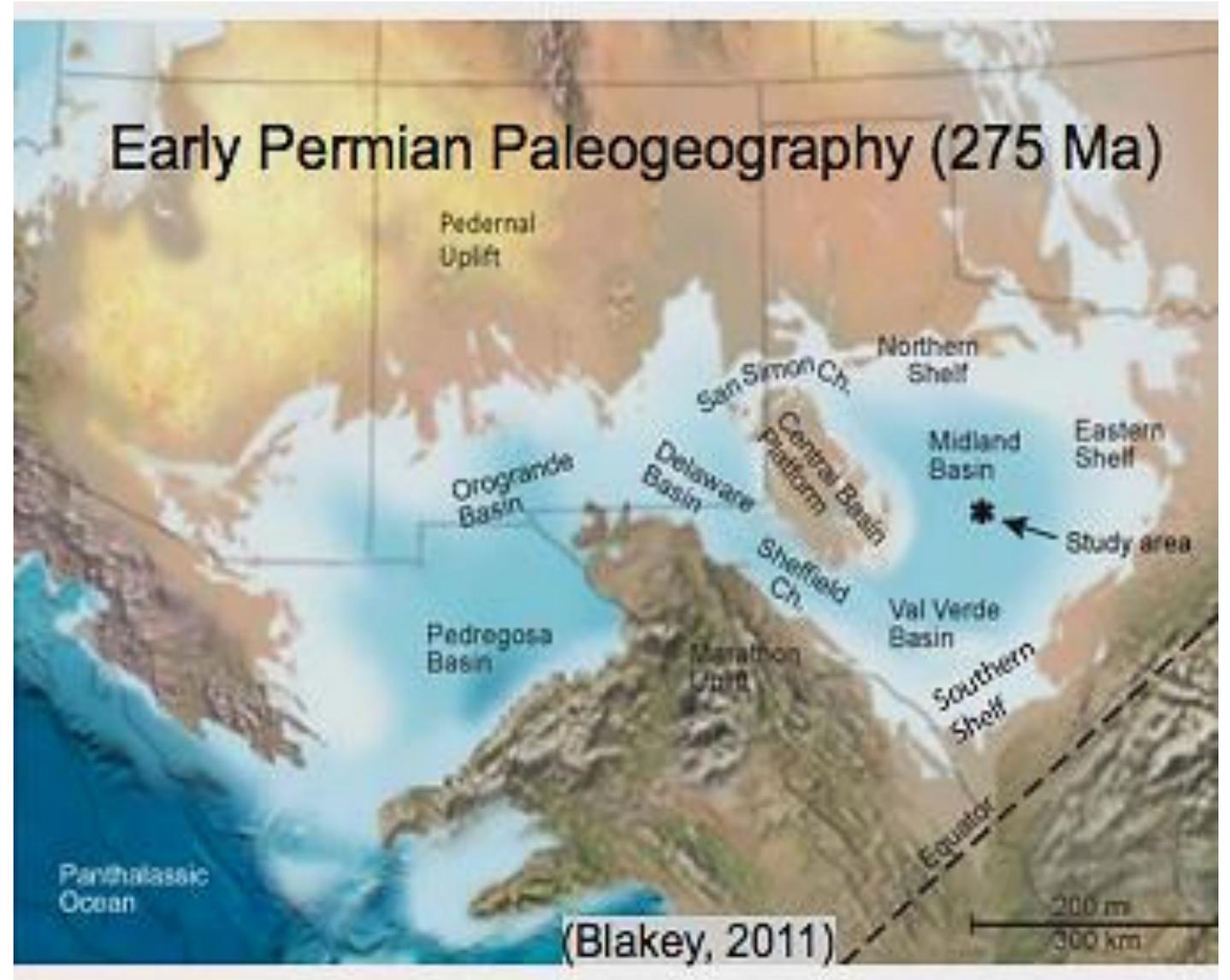
Mr. Zebrowski has extensive experience in managing Conventional and Unconventional resource plays as well as exploration and geologic/geophysical consultation. He has served as Unconventional Team Lead for both Vaalco Energy (USA), Inc. and Southwestern Energy Production Company where he managed all domestic G&G activities for conventional and unconventional resource plays, executed exploration/exploitation programs for assigned areas, implement strategic technologies and best practices workflows for EGY core operating areas. He has also served as Sr. Vice President and Exploration Manager for Vermillion Companies where he directed exploration staff of which included geologists, geophysicists and support staff.

MIKE MULLEN
Consultant

Mr. Mullen is the president and founder of Stimulation Petrophysics Consulting, LLC. He has over 42 years of oil field wireline logging and formation evaluation experience. Previously, during his 25-year career with Halliburton, Mr. Mullen developed techniques for the analysis of conventional and unconventional reservoirs with a stimulation treatment design and optimization from wireline logging measurements. He also was involved with the development of software models used by Halliburton throughout the world to evaluate Tight Sands, Shale Gas, Shale Oil, and Coalbed Methane. He has contributed to over 30 technical papers on formation evaluation and one textbook on Coalbed Methane.

PERMIAN FOCUSED

INTERCONNECTED PERMIAN BASIN
TORCHLIGHT TARGET REGIONS



TORCHLIGHT ENERGY RESOURCES OROGRANDE BASIN

PROJECT OVERVIEW

- Orogrande Basin - 134,000 Acres Under Lease
- Very Large Upside in Potential Hydrocarbon Resource (Recoverable) – 3rd party valuation from Stimulation Petrophysics
 - **Low Side Case** **2.3 Billion Barrels**
 - **Median BTE Case** **3.7 Billion Barrels**
 - **High Side Case** **5.0 Billion Barrels**
- 6 Pilot wells drilled for Technical Data Collection and 2 Short Horizontal Tests
- **A25 #1H Well is Horizontal and Productive - produced at 2.2 MMCFPD initially**
- **A25 #2 Drilled to Woodford, cased and awaiting testing**
- **A35 #1H Horizontal Well - Established Oil and Gas Production (33 BOEPD)**
- Unconventional and Conventional Reservoir Targets
- Independent Petrophysical Evaluation by Stimulation Petrophysics
- Independent Scoping Economics by Evolve Energy Services
- Interpretation Project – Digital Database, Workstations to Show Potential Buyers
- Scoping Economics depict each major zone makes significant NPV per well, which range from \$4.6MM - \$10.3MM (pre-tax)



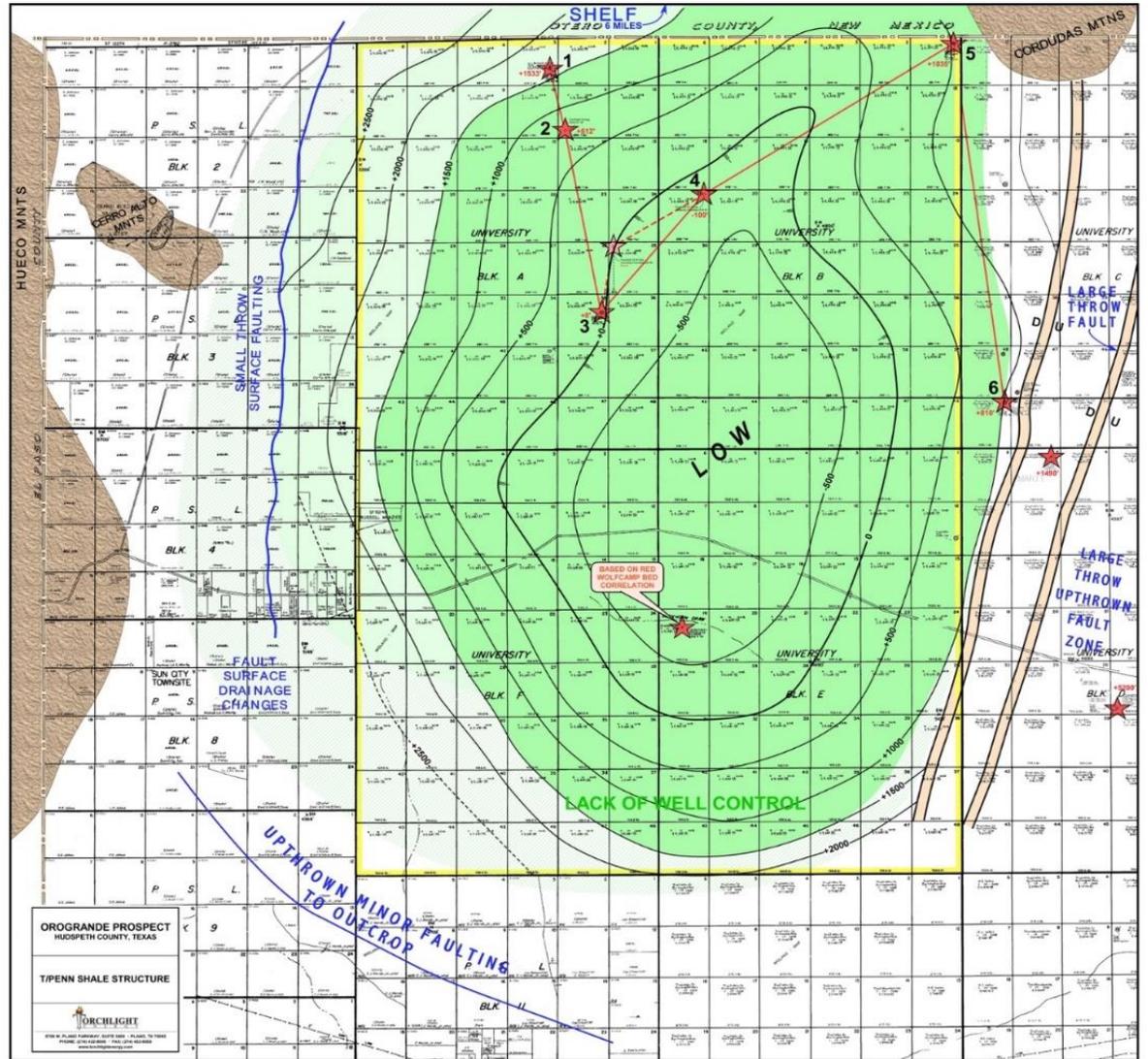
OROGRANDE PROJECT NEW FIELD DISCOVERY

ASSET OVERVIEW

- 134,000 acres all under University Lands D&D Unit
- 72.5% working interest
- 6 vertical test wells and 2 horizontal successfully drilled to date
- Finished drilling 2 well program announced Q4
 - CONFIRMED BARNETT AND WOODFORD ACROSS ACREAGE
 - CONFIRMED OIL AND GAS FROM SHORT HORIZONTAL UPPER PENN WELL
- First 2018 horizontal well drilled, completed and in testing phase (Initial tests positive with 2.2MMCFPD rate, choked back to 1.2MMCFPD)
- Second Horizontal (2020) 15 BOPD Oil, 120 MCFPD gas (33 BOED) 100' horizontal interval
 - Potential for 1500 BOD and 12 MMCFPD from a 10,000 lateral
 - 37 to 41 API Oil
- Confirmation of petroleum system in place

TARGET BENCH CHARACTERISTICS

- Oil and Gas confirmed
- Potential from Shallow Wolfcamp; Confirmed Penn Silt Package of over 600' to 800'; Confirmed structural pay from Atoka
- Pay zone depths – 3,000' to 7,500' with primary Penn pay at 5,300' to 5,900'
- Based on similar Midland Basin EUR's – potential EUR's of 4 to 6 million barrels per section with horizontal potential of 12 -18 horizontal wells per section
 - 4 to 6 benches in the Upper Penn formation**
- Potential 3.7 Billion Barrel recoverable reserves includes: Wolfcamp, Upper Penn, Barnett and Woodford unconventional zones



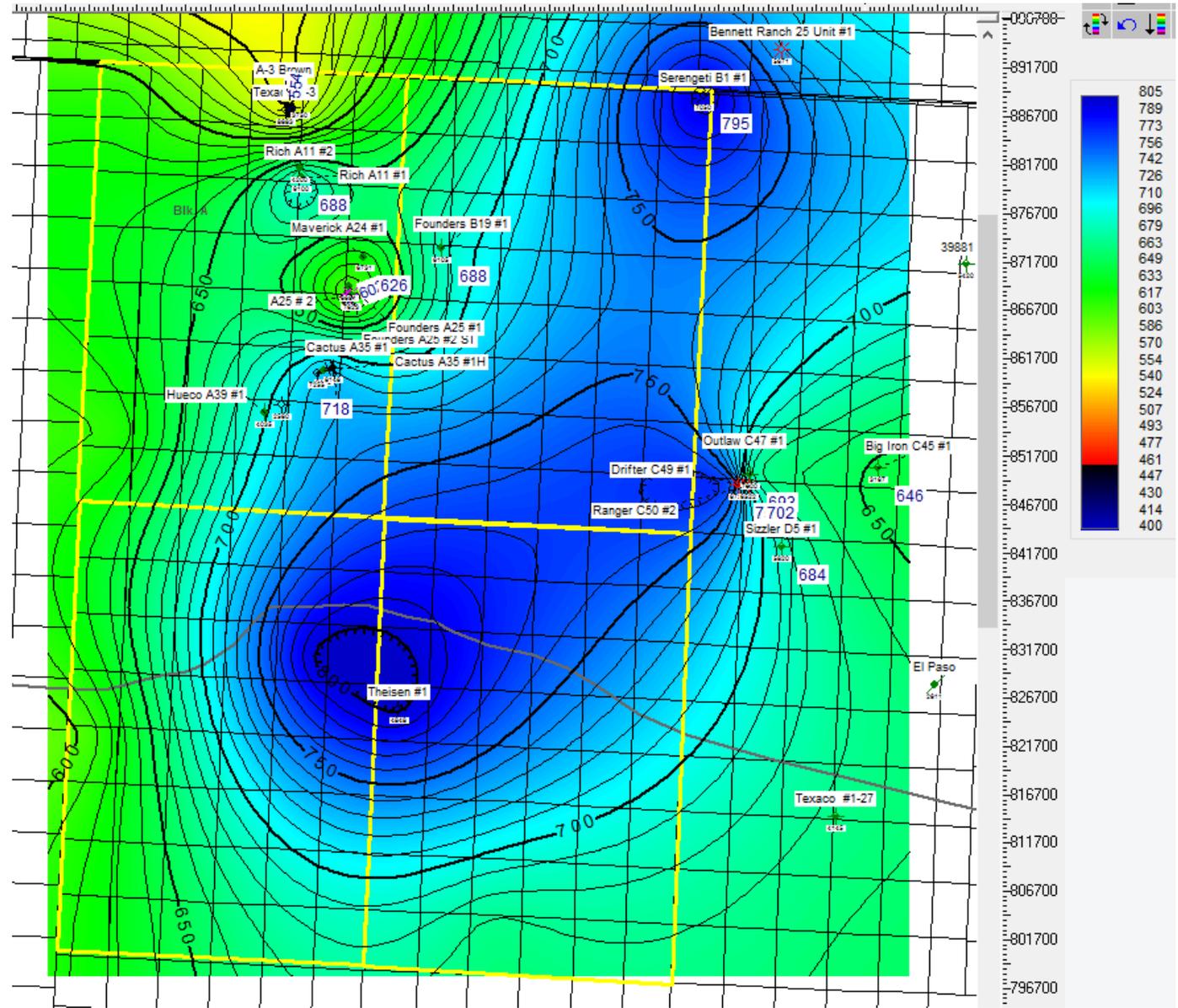
PENN ISOPACH MAP

This map integrating all the data shows the thickness of the Penn Interval on the Torchlight Energy Resources Acreage

Blue Colors Thickest Zones

Within this overall interval are 4-6 individual prospective zones for drilling Horizontal Wells

The Overall Interval Thickness ranges from 600-800 ft over most of the Acreage



OROGRANDE CHECKLIST (UNIV. RICH A11)

#	ITEMS	PRESENT	DESCRIPTION	MIDLAND COMPARISON
1	Huge Contiguous Acreage Block	✓	134,000 acres	-
2	Low Initial Costs	✓	Deal Structure	-
3	Shallow Depth	✓	<6,200 ft.	7,800' to 9,000'
4	Thickness of Reservoir	✓	~700 ft.	300' to 700'
5	Mud Log Chromatograph	✓	200 to 700 GU w/C4	50 to 600 CU w/C4
6	Sample Oil Cuts	✓	Fair to good flash white	Fair to good bwh flash
7	Porosity	✓	4.5% to 9%	3.5% to 8%
8	Permeability	✓	.001 to .05 md	.0001 to .05 md
9	High Resistivities / Invasion Profile	✓	35 to 160 ohms RT	25 to 200+ RT (in silt)
10	Brittleness	✓	No Ductile shale	Scattered Ductile high clay units
11	Low Clay	✓	12% to 27%	15% to 46%
12	Silica Rich	✓	35% to 55%	30% to 55%
13	Thin Carbonates	✓	Scattered throughout silt	Scattered throughout silt
14	Calcite Cement	✓	Calcite and Dolomite	Calcite
15	TOC	✓	1.8 to 3.08	.8 to 1.1
16	Thermal Maturity	✓	.81 to .90 Oil Window	.8 to 1.1 Oil Window
17	Matrix Permeability	✓	850 to 1,700 Nanodarcies	400 to 1,300 Nanodarcies
18	Pore Throat Sizes	✓	10 to 350 Nanometers	-
19	Hi / Oi	✓	Type II Kerogen	Type II/III Kerogen
20	Si / TOC	✓	55 to 61 Oil Mature	-
21	S2 / TOC	✓	2 to 2.8	2.05 to 2.5
22	Gas-filled Porosity	✓	2.65	2.08

PROJECT HAZEL-MIDLAND BASIN

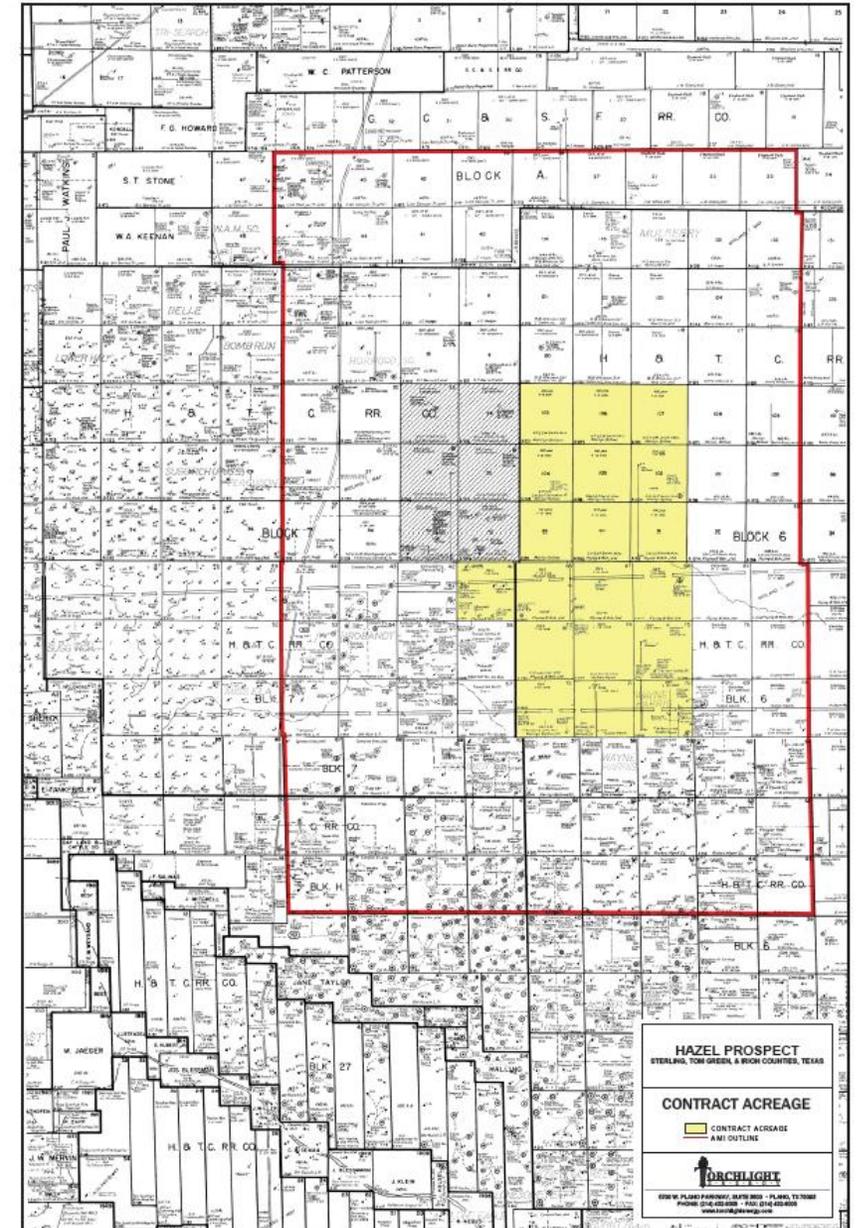
MARKETED

ACREAGE OVERVIEW

- 12,000 gross (9,600 net acres), 80% WI (operated)
- Rich Masterson (geologist) originated project
- 74-75% Net Revenue Interest
- 19 contiguous sections leased in the AMI
- First two wells have been vertical to establish the science
- Targeting the Wolfcamp A & B
- Secondary targets include the Leonard and Dean and potential Wolfcamp D
- Lease requires one well every six months to hold the entire 12,000 acre block for 18 months, then two wells every six months starting summer of 2018
- Offset operators include Private Equity Backed and Public Operators

TARGET BENCH CHARACTERISTICS

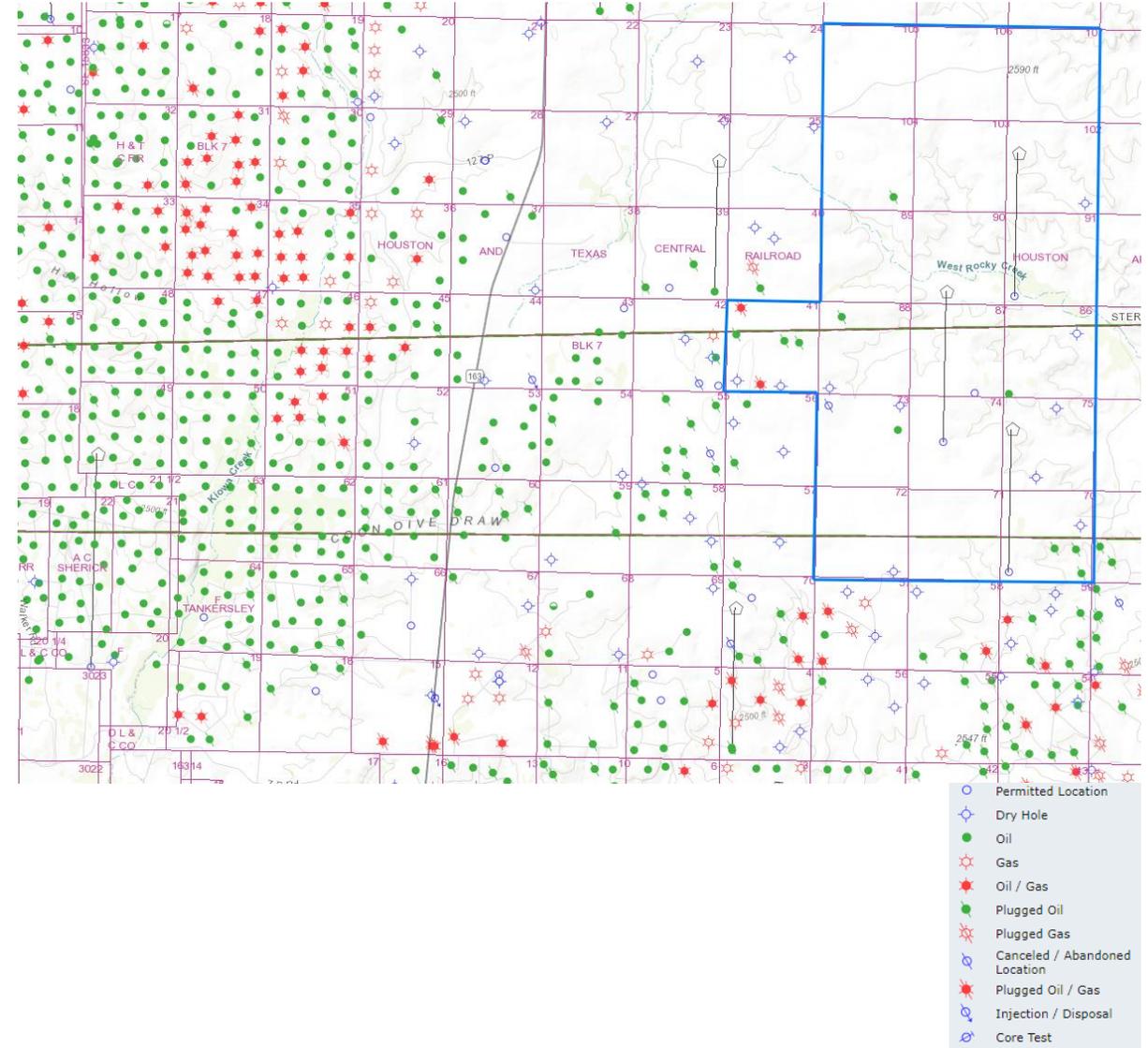
- **Primary Target:** Wolfcamp A & B
 - excellent quality shown in full core samples for both A & B
 - 150 to 350 ft. of thickness
 - Likely require 6 to 8 laterals per bench
 - Potential for 12 to 16 horizontal wells per section
 - 200 long lateral locations, assuming only 2 benches
 - Excellent IRR's 40% to 65% depending on lateral length, costs, and commodity pricing
- High quality oil and 1,500+ BTU gas
- Excellent logs and cores showing significant pay potential
- First 5000' Horizontal well drilled and tested, currently shut in



PROJECT HAZEL-MIDLAND BASIN

OFFSET OPERATORS

- The Project Hazel acreage is surrounded by many successful oil and gas wells dating back to the 1960's
- Drilling and completion activity continues to approach the Project Hazel and as new locations are spud they will continue to de-risk Project Hazel
- Operators within Sterling, Tom Green, and Irion counties include private, private equity backed, and public independent companies such as:



WINKLER PROJECT

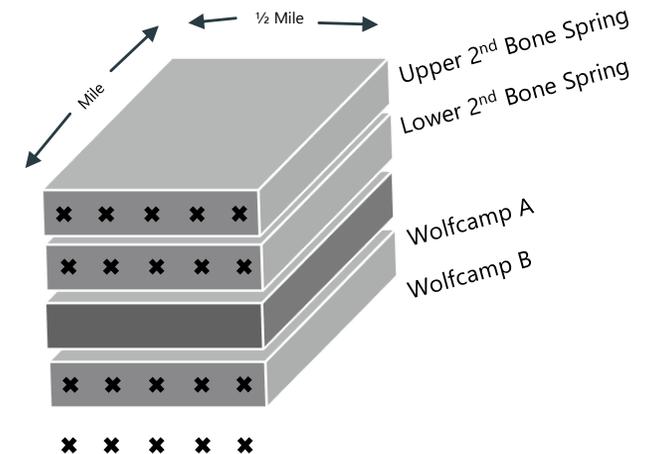
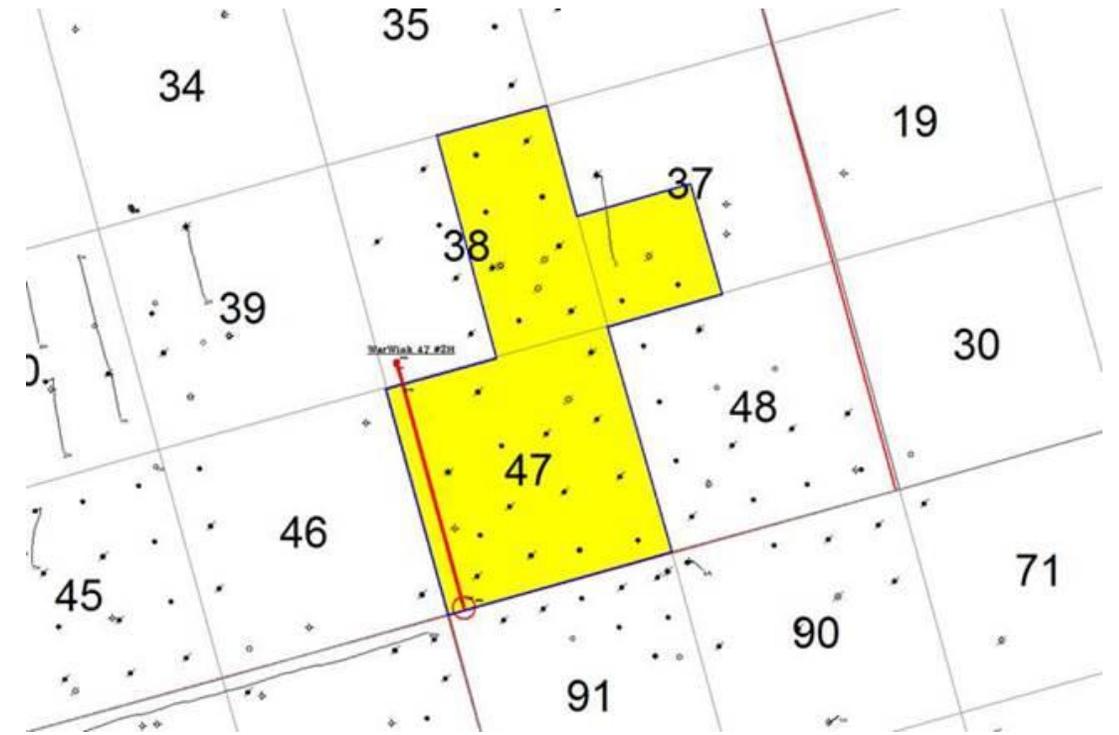
MARKETED

ACREAGE OVERVIEW

- 1,080 gross acres, 12.5% WI (non-operated)
- Private Equity backed MECO IV to operate the leasehold
- Rich Masterson (geologist) originated project
- 10,000-foot laterals
- First well in production in Sec. 47
- Contains six prospective benches or “stacked pay zones” where as many as 20 long laterals can be drilled

TARGET BENCH CHARACTERISTICS

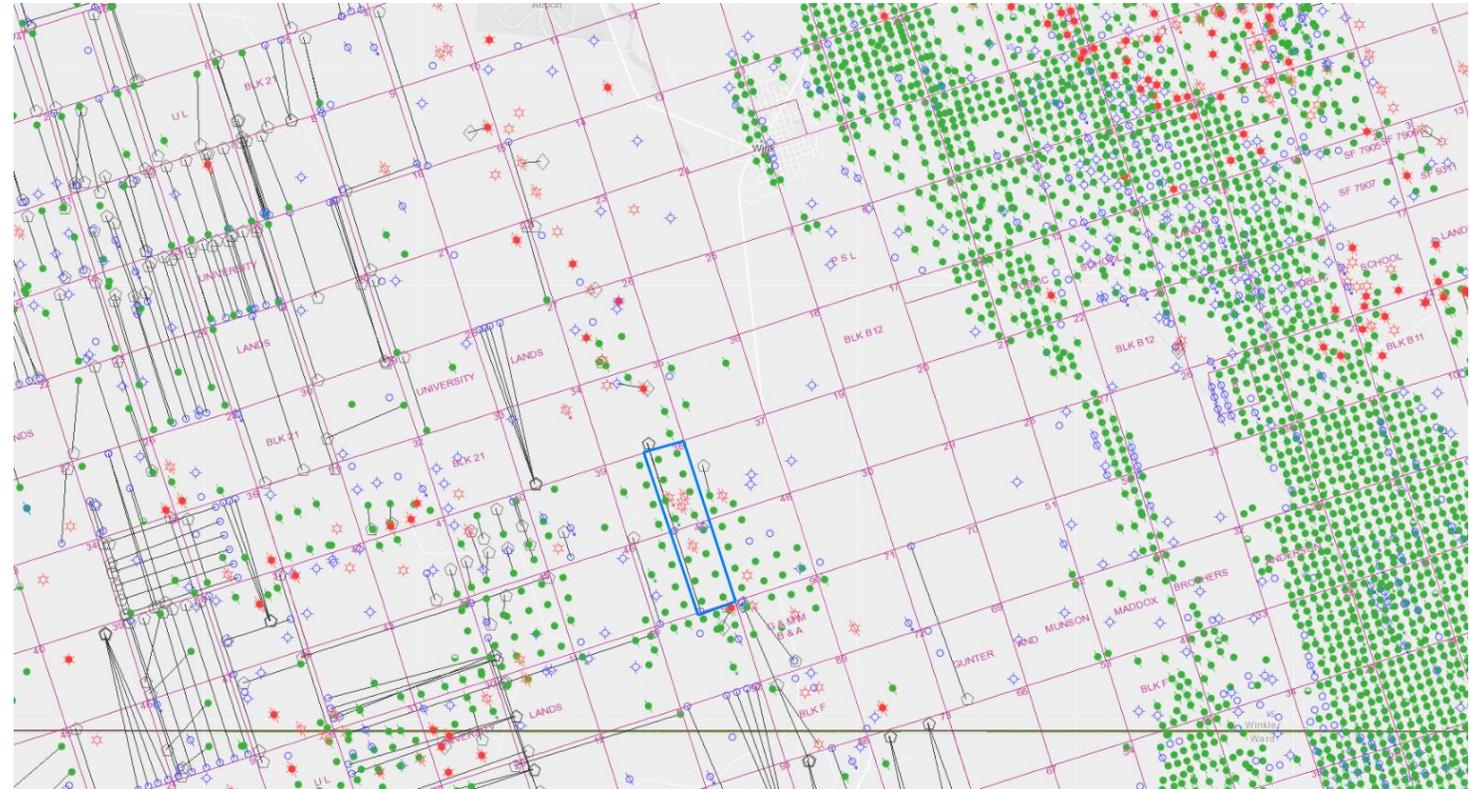
- **Primary Targets:**
 - Wolfcamp A & B
 - Upper 2nd Bone Spring
 - Lower 2nd Bone Spring
- **Secondary Targets:**
 - Wolfcamp C
 - Third Bone Spring



WINKLER PROJECT

OFFSET OPERATORS

- The Winkler Project is located at a hotspot for horizontal development activity and is offset by more than 13,000¹ successful wells
- Offset Operators in Winkler county Include:



○	Permitted Location
◇	Dry Hole
●	Oil
☆	Gas
★	Oil / Gas
●	Plugged Oil
☆	Plugged Gas
◇	Canceled / Abandoned Location
★	Plugged Oil / Gas
◇	Injection / Disposal
◇	Core Test

1. Accounts for both horizontal and vertical wells in Winkler County, source Drilling Edge



WINKLER PROJECT

RECENT OFFSET INITIAL PRODUCTION ANNOUNCEMENTS

OPERATOR	WELL NAME	INITIAL PRODUCTION (BOE/D)	TARGET BENCH	LATERAL LENGTH
EOG	Neptune 10 St Com 701H	5,237	Wolfcamp A	8,842
EOG	Hound 30 Federal 704 H	4,528	Wolfcamp A	7,000
Jagged Peak	UL 26-27 #1H	2,272	Wolfcamp B	9,600
Lilis Energy	Bison #1H	2,014	Wolfcamp B	6,900
Lilis Energy	Tiger #1H	1,803	Wolfcamp B	4,108

Source: Drilling Info, Wood Mackenzie, RSP Permian Investor Presentation, Lilis Energy Investor Presentation

INCREDIBLE UPSIDE

MAJOR DISCONNECT

CURRENT VALUATION METRIC

- 100,000 net acres in the company
- Market cap of \$55 million
- \$550 per acre (unheard of in Permian Basin)

OROGRANDE UPSIDE ONLY

- 96,000 net acres
- 600' to 800' thick Penn section that will require minimum of two to three bench laterals to drain
- Newly discovered shallow section over 1,500' interval encompassing conventional and unconventional pay
- Newly discovered structural deep conventional pay zones under structure
- According to 2D, magnetic and gravity maps, can be as high as 20,000 acres under structure

ACREAGE VALUATION

COMPANY ESTIMATES

- Taking Orogrande only and attributing zero value for Hazel or Winkler
- \$1,000 an acre = \$96M market cap
- \$2,500 an acre = \$240M market cap
- \$7,500 an acre = \$720M market cap
- Torchlight's approach is to create value from relationship driven acquisition followed by scientific proving and industry marketing to exit. Management has prior experience in mineral and land acquisition and divestiture privately. This translates to greatest potential upside. Preferred target acquirer would be larger public E&P.

SUMMARY

PERMIAN FOCUSED

- Orogrande Project – 133,000 Acres, Orogrande Basin
- Project Hazel – 12,000 Acres, Midland Basin
- Winkler Project – 1,080 Acres, Delaware Basin
- Transitioning to a take-out candidate

GROWTH THROUGH OPERATIONAL SUCCESS

- Focused on delineation of the Orogrande Project
- Hazel Project and Winkler Project to be divested
- Mitigating risk through advanced geological and engineering review
- Utilizing newest technology to increase Estimated Ultimate Recovery and Initial Production

EXCELLENT MANAGEMENT TEAM

- Team has the comprehensive skills to create shareholder value through successful organic growth utilizing science as the driver
- Individuals have experience at the highest levels with top tier independent and integrated oil and gas companies
- Aligned with shareholders with 27% insider ownership

CORPORATE CONTACT INFORMATION

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