



# INVESTOR CONFERENCE CALL THIRD QUARTER 2016

NOVEMBER 3, 2016



**CORR**  
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# Disclaimer

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."

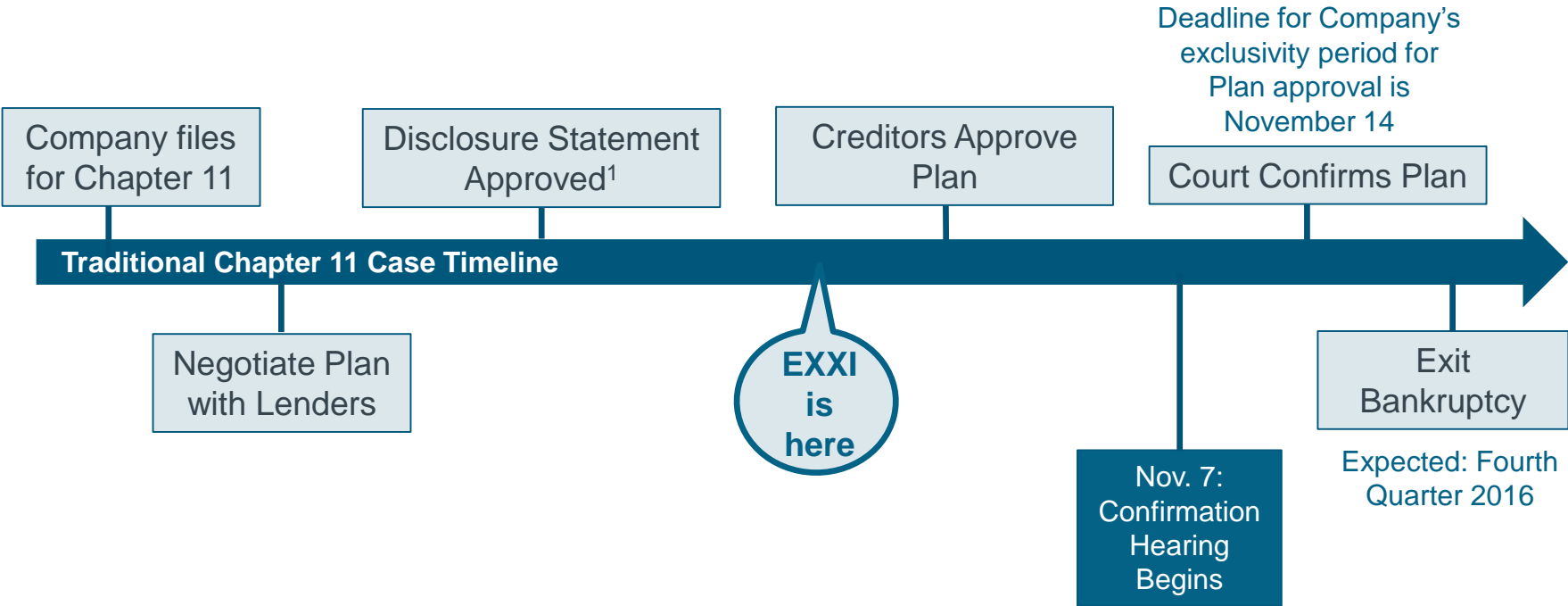
Although CorEnergy believes that the expectations reflected in these forward-looking statements are reasonable, they do involve assumptions, risks and uncertainties, and these expectations may prove to be incorrect. Actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including those 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.

# Recent Developments

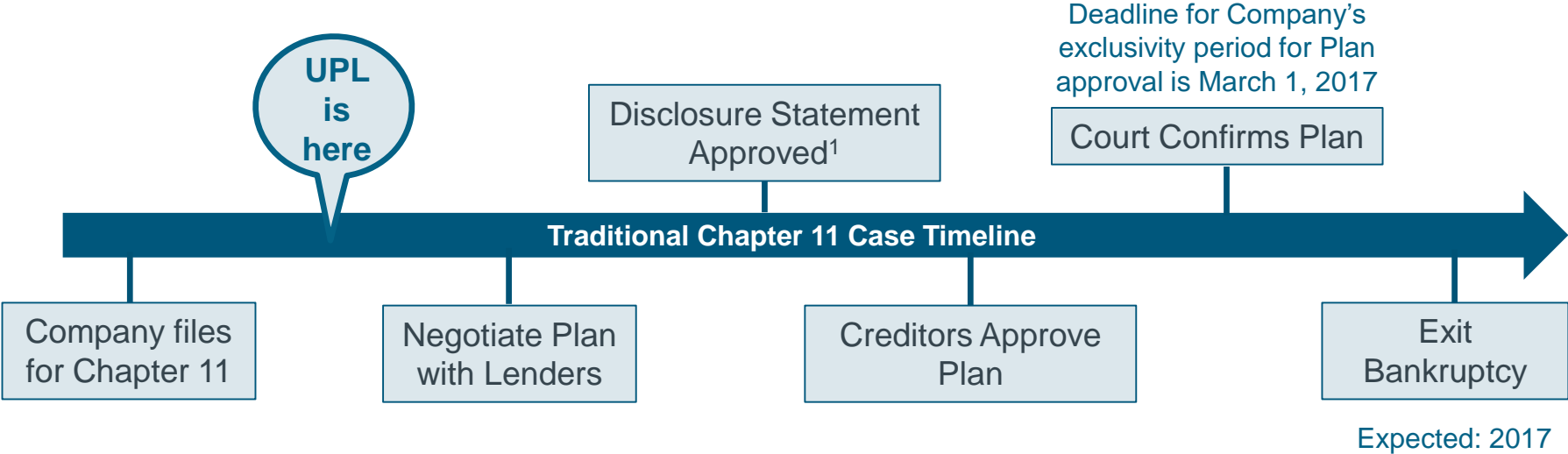
- Declared \$0.75 dividend, \$3.00 annualized, for third quarter 2016
- All tenants remain current on rent payments
- Four Wood Financing Note restructured
  - Portion expected to be converted into a preferred equity interest
- Nate Poundstone joins CorEnergy team as incoming Chief Accounting Officer

# Expected Next Steps for Bankrupt EXXI



(1) Includes proposed Plan of Reorganization  
 Source: Energy XXI Bankruptcy Court Filings

# Expected Next Steps for Bankrupt UPL



**Acceptance or rejection of Pinedale LGS Lease deadline: December 15, 2016**

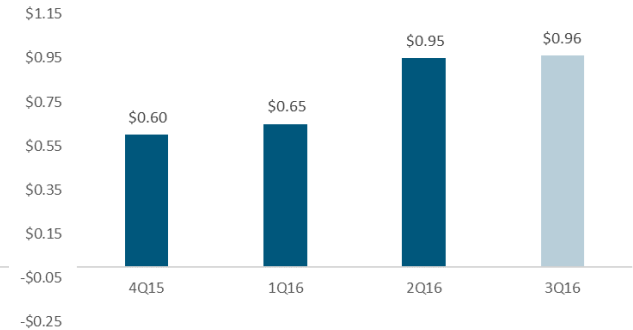
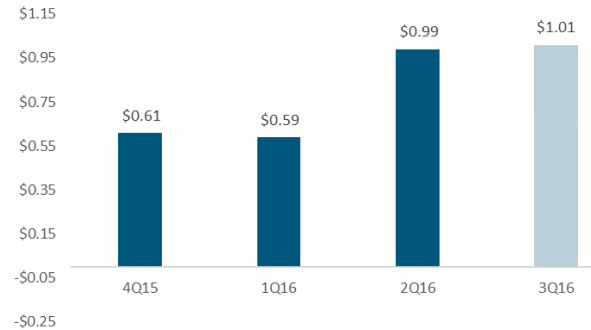
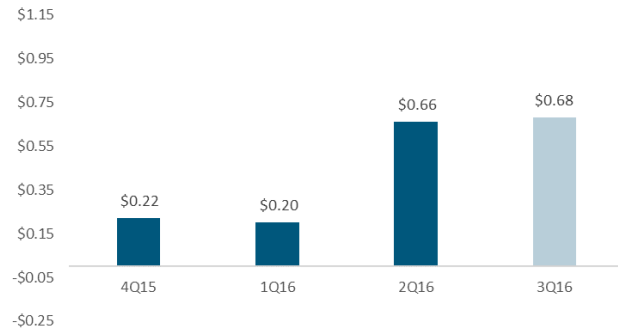
(1) Includes proposed Plan of Reorganization  
Source: Ultra Petroleum Bankruptcy Court Filings

# CorEnergy Per Diluted Common Share Financial Metrics

## Net Income to Common Shareholders

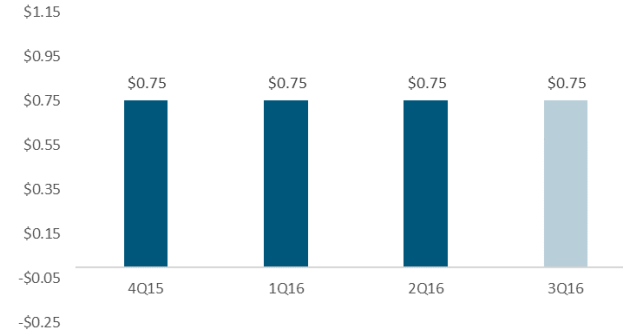
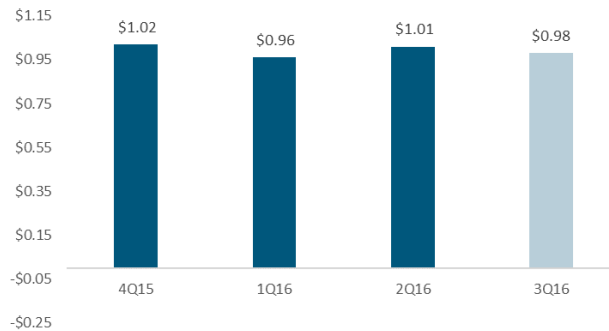
## NAREIT Funds from Operations<sup>1</sup>

## Funds from Operations<sup>1</sup>



## Adjusted Funds from Operations<sup>1</sup>

## Dividends to Common Shareholders



AFFO adjusts for the provision of loan loss, net of taxes attributed to the Black Bison & Four Wood Financing Notes in 4Q15 & 1Q16

(1) The Company provides non-GAAP performance measures utilized by REITs, including NAREIT Funds From Operations ("NAREIT FFO"), Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO"). Due to legacy investments that we hold, we have historically presented a measure of FFO derived by further adjusting NAREIT FFO for distributions received from investment securities, income tax expense, net, and net distributions and dividend income. Management uses AFFO as a measure of long-term sustainable operational performance. See slides 9 and 10 for a reconciliation of NAREIT FFO, FFO and AFFO, as presented, to Net income attributable to CorEnergy common stockholders.

# Capital Structure

**Conservative capital structure limits risk of high fixed costs, such as interest and preferred dividend payments**

- Ratio of Earnings to Fixed Charges: 2.93x
- Ratio of Earnings to Fixed Charges and Preferred Dividends: 2.28x

**CorEnergy is compliant with all secured and unsecured debt covenants**

**Liquidity:** \$53.3 million available on revolver and \$10.1 million of unrestricted cash = \$63.4 million of available liquidity

## Capitalization

<i>(\$ in millions)</i>	September 30, 2016
Secured Credit Facilities	\$91.7
Convertible Debt, proceeds gross of fees	\$114.0
<b>Total Debt</b>	<b>\$205.7</b>
Preferred Stock	\$56.3
Common Stock	\$351.8
<b>Total Equity</b>	<b>\$408.0</b>
<b>Total Capitalization</b>	<b>\$613.7</b>

## Financing Ratios Well Below Targets

**Total Debt to Total Capitalization Ratio:**

Adjusted ratio of 33.5%, within our target range of 25-50%

**Preferred to Total Equity Ratio:**

Adjusted ratio of 13.8%, below our 33% target

# APPENDIX



# Non-GAAP Financial Metrics: FFO/AFFO Reconciliation

## NAREIT FFO, FFO Adjusted for Securities Investment and AFFO Reconciliation

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
<b>Net Income attributable to CorEnergy Stockholders</b>	\$ 9,231,185	\$ 427,219	\$ 21,576,833	\$ 8,698,985
Less:				
Preferred Dividend Requirements	1,037,109	1,037,109	3,111,327	2,811,718
<b>Net Income (loss) attributable to Common Stockholders</b>	8,194,076	(609,890)	18,465,506	5,887,267
Add:				
Depreciation	5,537,179	5,644,320	16,166,599	13,158,454
Less:				
Non-Controlling Interest attributable to NAREIT FFO reconciling items	411,455	411,455	1,234,364	1,234,365
<b>NAREIT funds from operations (NAREIT FFO)</b>	13,319,800	4,622,975	33,397,741	17,811,356
Add:				
Distributions received from investment securities	278,782	274,550	753,655	742,056
Income tax expense (benefit) from investment securities	645,083	(450,699)	703,211	50,398
Less:				
Net distributions and dividend income	277,523	241,563	867,265	1,025,381
Net realized and unrealized gain (loss) on other equity securities	1,430,858	(1,408,751)	1,001,771	(915,568)
<b>Funds from operations adjusted for securities investments (FFO)</b>	12,535,284	5,614,014	32,985,571	18,493,997

# Non-GAAP Financial Metrics: FFO/AFFO Reconciliation

NAREIT FFO, FFO Adjusted for Securities Investment and AFFO Reconciliation

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
<b>Add:</b>				
Provision for loan losses, net of tax	—	6,667,823	4,409,359	6,667,823
Transaction costs	33,984	133,009	71,899	880,307
Amortization of debt issuance costs	469,004	699,386	1,556,607	1,313,026
Amortization of deferred lease costs	22,983	22,824	68,949	53,508
Accretion of asset retirement obligation	184,104	169,521	542,561	169,521
Income tax benefit	(161,931)	(114,940)	(459,640)	(344,535)
Amortization of above market leases	—	—	—	72,987
Unrealized gain associated with derivative instruments	(60,513)	(13,965)	(2,818)	(48,494)
<b>Less:</b>				
EIP Lease Adjustment <sup>(1)</sup>	—	—	—	542,809
Non-Controlling Interest attributable to AFFO reconciling items	(10,715)	23,837	35,153	69,348
<b>Adjusted funds from operations (AFFO)</b>	<b>\$ 13,033,630</b>	<b>\$ 13,153,835</b>	<b>\$ 39,137,335</b>	<b>\$ 26,645,983</b>
<b>Weighted Average Shares of Common Stock Outstanding:</b>				
Basic	11,872,729	11,924,148	11,909,431	10,266,380
Diluted <sup>(2)</sup>	15,327,274	15,408,998	15,379,792	11,466,292
<b>NAREIT FFO attributable to Common Stockholders</b>				
Basic	\$ 1.12	\$ 0.39	\$ 2.80	\$ 1.73
Diluted <sup>(2)</sup>	\$ 1.01	\$ 0.39	\$ 2.60	\$ 1.73
<b>FFO attributable to Common Stockholders</b>				
Basic	\$ 1.06	\$ 0.47	\$ 2.77	\$ 1.80
Diluted <sup>(2)</sup>	\$ 0.96	\$ 0.47	\$ 2.57	\$ 1.79
<b>AFFO attributable to Common Stockholders</b>				
Basic	\$ 1.10	\$ 1.10	\$ 3.29	\$ 2.60
Diluted	\$ 0.98	\$ 0.98	\$ 2.94	\$ 2.50

(1) Based on the economic return to CorEnergy resulting from the sale of our 40 percent undivided interest in EIP, we determined that it was appropriate to eliminate the portion of EIP lease income attributable to return of capital, as a means to more accurately reflect the EIP lease revenue contribution to CorEnergy-sustainable AFFO. CorEnergy believes that the portion of the EIP lease revenue attributable to return of capital, unless adjusted, overstates CorEnergy's distribution-paying capabilities and is not representative of sustainable EIP income over the life of the lease. The Company completed the sale of EIP on April 1, 2015.

(2) The number of weighted average diluted shares represents the total diluted shares for periods when the Convertible Notes were dilutive in the per share amounts presented. For periods presented without per share dilution, the number of weighted average diluted shares for the period is equal to the number of weighted average basic shares presented.

# Non-GAAP Financial Metrics: Fixed-Charges Ratio

Ratio of Earnings to Combine Fixed Charges and Preferred Stock

	For the Nine Months Ended September 30,		For the Years Ended December 31,		For the Years Ended November 30,	One-Month Transition Period Ended December 31,
	2016	2015	2014	2013	2012	2012
<b>Earnings:</b>						
<b>Pre-tax income from continuing operations before adjustment for income or loss from equity investees</b>	\$ 20,346,099	\$ 11,782,422	\$ 6,973,693	\$ 2,967,257	\$ 19,857,050	\$ (515,658)
Fixed charges <sup>(1)</sup>	\$ 10,987,677	\$ 9,781,184	\$ 3,675,122	\$ 3,288,378	\$ 81,123	\$ 416,137
Amortization of capitalized interest	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Distributed income of equity investees	\$ 867,265	\$ 1,270,754	\$ 1,836,783	\$ 584,814	\$ (279,395)	\$ 2,325
Pre-tax losses of equity investees for which charges arising from guarantees are included in fixed charges	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Subtract:</b>						
Interest capitalized	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Preference security dividend requirements of consolidated subsidiaries	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Noncontrolling interest in pre-tax income of subsidiaries that have not incurred fixed charges	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
<b>Earnings</b>	<b>32,201,041</b>	<b>22,834,360</b>	<b>12,485,598</b>	<b>6,840,449</b>	<b>19,658,778</b>	<b>(97,196)</b>
<b>Combined Fixed Charges and Preference Dividends:</b>						
Fixed charges <sup>(1)</sup>	\$ 10,987,677	\$ 9,781,184	\$ 3,675,122	\$ 3,288,378	\$ 81,123	\$ 416,137
Preferred security dividend <sup>(2)</sup>	3,111,327	3,848,828	—	—	—	—
<b>Combined fixed charges and preference dividends</b>	<b>14,099,004</b>	<b>13,630,012</b>	<b>3,675,122</b>	<b>3,288,378</b>	<b>81,123</b>	<b>416,137</b>
<b>Ratio of earnings to fixed charges</b>	<b>2.93</b>	<b>2.33</b>	<b>3.40</b>	<b>2.08</b>	<b>242.70</b>	<b>(0.23)</b>
<b>Ratio of earnings to combined fixed charges and preference dividends</b>	<b>2.28</b>	<b>1.68</b>	<b>3.40</b>	<b>2.08</b>	<b>242.70</b>	<b>(0.23)</b>
<b>Combined Fixed Charges Deficiency</b>						<b>(513,333)</b>

(1) Fixed charges consist of interest expense, as defined under U.S. generally accepted accounting principles, on all indebtedness

(2) This line represents the amount of preferred stock dividends accumulated as of June 30, 2016.

